

Intellectual Property
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Lecture – 36
Declaration of Non Infringement

There are 2 types of declaratory suits that can be filed with regard to patents, infringement suit is something which a patentee would file a patentee would file an infringement suit to enforce the patent against potential infringers. Potential infringers also have certain tools which they can use against the patentee, now these are called declaratory suits. The first declaratory suit which is the Patent Act mentions is the declaration of non infringement.

Now, we understand the declaration of non infringement as a pre emptive suit, a person who apprehends that the patentee may file an infringement suit against him can approach the court proactively and get a declaration stating that his action, the action that he is currently doing does not amount to infringement of the patentees patent. So, he essentially gets a declaration that his actions do not constitute infringement or his actions are non infringing. So, this is a mechanism by which competition is allowed and an injunction in an infringement suit is not used to restrain the acts of a legitimate business.

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Introduction

- Suit for declaration of non infringement [S.105]
- Anticipatory action against patentee or licensee
 - Potential infringement action
- Risk assessment before venturing into commercial production

So, a declaration as suit for declaration is filed under Section 105, as I mentioned it is an anticipatory action against the patentee or the licensee. Now this action is done because there is a threat of an infringement action, the person who approaches the court with a declaratory suit apprehends an infringement action and hence does this. It amounts to risk assessment before venturing into commercial production; say entity wants to know whether they can enter into commercial production. And there are patents which belong to others they could get a declaratory relief before investing into commercial production by knowing where they stand with regard to a patent.

So, if they get a declaration saying that their process is non infringing, then it would mean that tomorrow they cannot be a suit filed by the patentee stopping their activities.

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Declaration under S.105

- Parties to the suit
 - **By who:** Any person having an anticipation of infringement action
 - **Against whom:** Patentee or the holder of the exclusive licensee of the patent
- Jurisdiction: High Court or District Court
 - Acts under S.105 were done

So, the parties to the suit are any person having and who anticipates or who expects an infringement action can file the suit and it can be filed against the patentee or the holder of the exclusive license of the patent. Now the jurisdiction is same as the infringement suit it can be filed before the High Court or the District Court and it is filed where the section 105 acts were done.

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Declaration under S.105



- Conditions to be met before filing suit
 - Seeking a written acknowledgment from patentee/licensee
 - Patentee/licensee refused to give acknowledgment
- Effect of Declaration
 - Plaintiff has not infringed patent

Now, there are certain conditions that have to be met before filing the suit, the person who files the suit should seek a written acknowledgement from the patentee or the licensee and the licensee or the patentee should refuse an acknowledgement to give such an acknowledgement.

Now, when the court passes an declaration it means that the patentee has not infringed the said patent. The second type of declaratory suit which persons who apprehend infringement action can file proactively are called the declaration of groundless threat.

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Relief for Groundless Threats



- Suit for relief [S.106]
- **By who:** An aggrieved person
- **Against whom:** Any person
 - Entitled to a patent/application
 - Interested in a patent/application
 - Anyone whether interested or not

Now, relief in a groundless threat suit a suit is filed under 106 of the patents act, it is filed by an aggrieved person an aggrieved person is a who is subject to threats of infringement by the patentee and it can be filed against any person who was entitled to a patent or an application, who was interested in a patent or an application or anyone whether interested or not.

Now, the reference here to is to a patent or a pending application because, they could be threats made by potential patentees. A patent applicant who has a patent can make a threat to a competitor and stop his legitimate business or bring uncertainty over his legitimate business, stating that I will soon get a patent and if I get a patent I will be initiating an infringement action against you. Now, you may wonder is it wrong to mention or is it wrong to state, that you would initiate infringement action against a potential infringer. The law is not against infringement actions, but it is against groundless threats of infringement action.

So, if you make a statement that you will followed your threat with an infringement action, then the law expects you to carry out your threat. So, the logic behind this provision is that legitimate business law, the logic behind this provision is that legitimate businesses should not be or should not operate under uncertainty because, somebody else is threatening to stop and there stop there somebody else is threatening to stop their business.

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Relief for Groundless Threats

- Aggrieved person can claim following reliefs:
 - Declaration, threats are unjustifiable
 - Injunction against continuance of threats
 - Damages
- Defense for the defendants
 - Acts for proceedings threatened, shall constitute infringement
- Notice of existence of patent, not threatening

So, a person who is aggrieved, a person who is subject to these groundless threats of infringement suit can claim the following relief. The person can ask for a declaration that the threats are unjustifiable he can ask for an injunction to restrain the person from continuing the threats, he can also ask for damages or compensation.

Now, the defense in these cases if a person files a case of declaring a threat to be a groundless threat, then the patentee can state that the acts for proceedings threaten actually constitute infringement. So, in a way the patentee can mention or state that these are not groundless threats they are actual real threats and there are grounds for initiating infringement suit.

Now, the mere fact that the patentee points to the existence of a patent we will not amount to a groundless threat, the threat has to be explicit and it has to be groundless in the sense that it is being done without any objective of filing an infringement suit.

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Kinds of Threats

- Threats during contractual relationship
- Legal notice by patentee
- Oral threat
- Written threat
- Threat of future infringements
- Threats in without prejudice communications



Now, there could be threats during contractual relationship between a patentee and the licensee, they could be threats that come by way of a legal notice issued by the patentee. There could be oral threats which can happen during discussions they could be a written threat; they could be a written threat and they could be a threat of future infringements. Threat could also manifest in without prejudice communications.