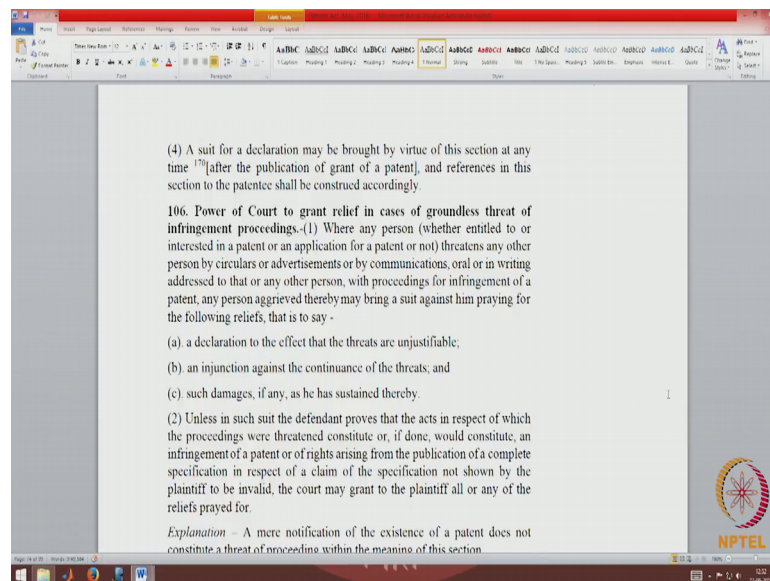


Patent Law for Engineers and Scientists
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Lecture – 73
Patent Enforcement, International Arrangements & Other Miscellaneous Provisions
Groundless threat of Infringement Proceedings

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The other declaratory suit is with regard to groundless threat. So, patentees may at times issue threats that they are going to file an infringement action. Now the threat could be in a public forum, it could be a press release, it could be a veiled threat, could be a direct threat in a negotiation, it could have I mean if you look at the case laws, there are multiple ways in which a threat can manifest, but the essence of a threat is that the patentee tells the other person or communicates the message that he is about to file a patent suit or he is about to file an infringement suit against the potential infringer.

Now the potential infringer just as he had a right to approach the court and 105 to state that I am not infringing, he can approach the court stating that a person a patentee or people who claim right from the patentee is threatening by way of circulars or advertisement or by communications oral or in writing with proceedings of infringement of a patent and can approach the court with three broad reliefs.

One declaration that the threats are unjustifiable saying that it is an empty or a groundless threat its unjustifiable or to say that with that patent you cannot sue me or I have my own right has to why I am doing this; you cannot threaten be with an infringement suit 2, the person can ask for a relief of in injunction against continuance of such threats to stop the person for making any further threats and can also claim damages, if you at sustained any loss or any injury. Now this provision is hardly used because once potential infringer approaches the court with a proceeding of groundless threat the court can only issue a declaration if the court finds that the threats are unjustifiable.

The patentee is making threats which are unjustifiable the easiest thing the patentee can do is to file an infringement suit because once he files that infringement suit that thread ceases to be a threat the threat has now manifested into in a form of a proceeding, earlier the patentee was issuing threats that he will file an infringement suit, but he was not doing anything now when the patentee files an infringement suit it ceases to be a threat or rather the threat is not carried out into an action. So, in that case this entire proceeding will now get converted into an instrument suit. So, this is strategically used sometimes potential infringe wants to move to the court first for whatever advantage they may get by move into a court first.

So, this is use strategically and this would eventually get converted into a infringement suit because once the patentee alleges infringement the color of the suit changes and the then it becomes an infringement suit and the potential infringer can then raise grounds of invalid key under section 64. So, this could be a way in which to get some kind of a certainty the potential infringer can approach the court with the declaratory suit, but soon the patentee, we will raise issues of infringement and the case would then get converted into an infringement. So, it is a strategic tool, it has to be used exercise in some caution and there has to be your logic or a strategy behind doing this. Now one another instance where these proceedings could be used is to determine the jurisdiction.

Now, if the patentee is in one jurisdiction and the defendant or the potential infringer is another jurisdiction, there is a likelihood that you know the patentee could choose the jurisdiction where he wants to approach first now using 106. The defendant can approach the court first and request if there is another proceeding filed in an another jurisdiction of equal standing say high court in one state and the high court in the other state, it could

request the matter to be to proceed in the court which first looked at the issue there are ways in which these issues can be resolved. So, this could also be strategically used to determine infringement

Now the logic of this preceding 106 is that a threat cannot be like a sword of Damocles hanging over the head of a business because at the end of the day if somebody is affected by a threat it could largely have a bearing on his business his manufacture his of production or his sale of goods. Now the law states that there has to be certainty you cannot forever live in an environment of a threat that somebody could file a suit against to and stop your manufacturer and see if see a goods rather it is better that the sword comes down and it either materializes into an infringement suit or it materializes into a declaration for not allowing such threats to continue. So, the law stands for certainty and this provision can be used if there is a threat which is not followed by an action to move the person into some kind of an action.