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Sub: Views/ suggestions on discussion paper on Utility Model

Sir,

Please find our suggestion on the above cited subject specifically on issues for consideration in Section X of discussion paper as follows:

- 1. Need of Utility Model- India strongly needs Legislation for Protection of Utility Models. As per my experience in Northern India entrepreneurs are making improvements in existing machines and processes by their practical experience. These improvements are really efficient and their direct benefits may be measured easily. But at the same time they seem to be very obvious to other entrepreneur or person skilled in the art. As these are non patentable invention as per Patent Act, so entrepreneur are left with nothing and everyone in the sector uses the innovation free of cost by copying it. As in Micro, Small & Medium Enterprises (MSMEs) in India, due to lack of financial resources, organized research is absent in most of the enterprises, and thus it is difficult for them to emerge with Patentable Invention. The MSMEs are continuously generating techniques that are really cost effective and time efficient. In agriculture implements sector too, there are various improvements to enhance efficiency of implements. So, utility model law should be enacted to help these MSMEs to protect their innovations and get recognition.**
- 2. Scope of Protection of Such Laws- The scope of protection of such laws should be not be limited one. It should cover Mechanical, Medicinal Formulation including Ayurvedic and Unani, electronics and electrical innovation, chemical processes. If someone develop a antiseptic formulation based on natural herbs and if it is cost effective as well as efficient, then it can be given protection under Utility Model. So, we should keep it open for innovations from all disciplines without differentiating, so as to foster innovations.**

3. Parameters to be adopted

- a) Inventive Threshold: We can rely on novelty concept leaving the parameter of Inventive step. If the improvement or the innovation helps to solve long standing problem then it is sufficient parameter for protection.**
 - b) Substantive Examination: Examination should be done for only that field for novelty and examination pertains to establish anticipation under doctrine of equivalent should not be considered.**
 - c) Grace Period: A Grace Period of 8 months should be given for filing the application outside India. As the period of protection will be comparatively much lesser than Patents, so grace period must also be reduced.**
 - d) Exhaustion: Should be same as that of Patents.**
 - e) Period of Protection 6 Years.**
 - e) Registration Procedure- There should be new Application Format for utility models. There should be column of Improvement details and problems in the prior art. Publication within 2 months of application. Formal Examination for novelty in that technical area should be made Within 4 months of publication. After publication oppositions may be made but within 3 months. After Grant opposition may be made within 6 months of grant with proper evidence in support of challenge. Grant should be made within 12 months of application, if application does not face objections and oppositions or oppositions and objections are removed well within this time frame.**
- 4. Novelty criteria should be absolute limiting to comparing prior art of that field only. These should not be comparison with equivalents of other field.**
- 5. Utility models are granted on improvements or moderate type innovations that are sometimes non inventive but novel. So, the art disclosed in both utility model and patents must be taken into account to form prior art for both utility model and patents application. In case of Pharmaceutical Sector, where there are chances of ever greening of Patents, utility model should not be granted protection on minor change in formulation, orientation of groups etc. if the molecule or product is already patented. In this way the spirit of patent act to prevent ever greening can be maintained.**

- 6. Separate law should be adopted. As India Patent Act is a classic legislation following TRIPs guidelines as well as honoring Indian Domestic Conditions, so change in Patent Act may be prejudicial to the true spirit of this classic legislation. As Design is registered for only outer shape and configuration and deals with aesthetic aspect of the article, so cannot be amended to incorporate Utility Model Laws.**
- 7. Only one form of protection be granted. The dual protection mechanism may lead to the confusion that whether the innovation qualifies for Patent or Utility Model protection. It may lead to the practice that all Utility model applicants also apply for patents also, thereby causing confusion about inventive step aspect. In India, we have early publication concept and if someone wishes that his Patent be granted early he can opt that option.**
- 8. This option can be exercised if at a later stage it is found that protection can be exercised in other form. If it is found that the Utility Model Application is novel & inventive enough to qualify for patents the Patent Application can be filed taking priority of Utility Model Application Date. Also if a patent application is rejected on the ground of lack of inventive step, then it can be withdrawn and utility model application can be filed taking priority of it.**
- 9. Ministry of Micro Small and Medium Enterprises is already running a scheme of reimbursement upto Rs. 25000/- on grant of domestic patent and Rs. 2.00 lakhs for foreign patent, if these patents are granted to MSMEs. Likewise, for Indian MSMEs, there is reimbursement upto Rs. 15 lakhs for filing International Patent filing in Electronics and IT based technology, by DIT, Ministry of Communication & Information Technology and Govt. So, such scheme can be made operational for Utility Models protection and reimbursement can be made as per the actual expenditure or a maximum limit of reimbursement can be put.**
- 10. As utility model should be granted for short period of time, so their enforcement procedure and dispute resolution mechanism may be fast, so as to give actual benefit to the innovator. The Adjudicating officer may be an officer of Rank of Controller or Designated Authority. Any opposition proceedings can be adjudicated by Patent Officer by Controller or Designated Authority by Controller. Appeals will lie to IPAB in case aggrieved party wants to file appeal against Controller decisions. In case a granted or published Utility Model is infringed by third party, case can be filed in a court not lower than District Court.**
- 11. Yes, they should be empowered if public interest is more important. When Government allows use of Granted Utility Model for public use,**

compensation based on per unit manufacture of protected model may be given to the innovator. It can be decided in terms of royalty.