

# The Indian Journal of Intellectual Property Law

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Modern Breweries v. Jagpin Breweries

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# The Indian Journal of Intellectual Property Law

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## **EDITORIAL NOTE**

Our Editorial Board is thrilled to present the 14<sup>th</sup> volume of the Indian Journal of Intellectual Property Law (IJ IPL), which we hope shall foster our commitment to fuel scholarly discourse on intellectual property law, both within India and beyond. The Journal has always aimed at bringing to light quality pieces bearing rigorous research, detailed analysis and novel insights to further the understanding of intellectual property laws, and Volume 14 is no different.

First, we have a piece that engages with the case of Devans Modern Breweries v. Jagpin Breweries. The authors, Eashan Ghosh and Afzal Badr Khan, acted as advocates for the plaintiff in the litigation, thereby providing a fascinating first-person narrative on a case that involved novel arguments with regards to the first sale doctrine in trademark law. While the Court finally held in the plaintiff's favour, the authors have highlighted the risky gambit of the defendant in arguing that the first sale of a product wipes clean the trademark, allowing a positive right of second sale to the defendant. Moving on to problematize this approach, the authors have also drawn instructive parallels to the first sale doctrine in European law. They go on to argue for stronger second sale laws in India, drawing from learnings in European courts and a reimagining of the functions of a trademark.

Next, we have a case note by Devansh Srivastava, which examines the copyright infringement lawsuit *St+Art India Foundation & Anr. v. Acko General Insurance*, focusing on the concept of fair dealing under India's Copyright Act. The author provides a comprehensive analysis of the case, exploring arguments both for and against fair dealing in the context of street art reproduction for commercial purposes. The

structure allows it to present the background of the case, analyze potential court interpretations, and discuss broader implications for street art and copyright law. The author proposes granting freedom of panorama exclusively for non-commercial uses to protect artists while allowing public engagement with their work. Notably, the case note introduces a novel legal test to distinguish between commercial and non-commercial use, addressing a key ambiguity in copyright enforcement. This approach has been combined with a focus on balancing artist rights with public interest, making the piece a valuable contribution to the discourse on copyright law.

The third piece in this volume is by Dr. iur. María Vásquez Callo-Müller. In her article, María delves into the evolving intersection of artificial intelligence (AI) and copyright law. As AI increasingly drives innovation, traditional intellectual property frameworks, particularly the three-step test outlined in Article 13 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), face significant scrutiny. María explores how Free Trade Agreements (FTAs) can provide a more adaptable interpretation of this test, essential for AI's data-intensive needs. By examining 'Balance in Copyright and Related Rights' clauses in selected FTAs, the Article evaluates their potential to introduce greater flexibility into domestic copyright laws. This flexibility is crucial for fostering AI development, allowing for innovative uses of copyrighted materials while maintaining the balance between innovation and copyright protection.

Then we have a piece on traditional knowledge and intellectual property specific to North East India, by Dr. Rumi Dhar and Mayong Tikhak. The authors discuss the inadequacy of the existing legal

framework to protect the traditional knowledge of the North East which is renowned for its rich cultural heritage, immense natural resources, over a hundred and fifty ethnic groups each characterized by a set of cultural, ethical and diverse traditional values. They also bring to light the precariousness of the situation stemming from a discontinuation of customs and traditions, as a result of which the vast pastures of traditional knowledge are witnessing gradual disappearance.

Lastly, Biju K. Nair delves into a comprehensive book review of 'Intellectual Property Rights in the Modern Professional Era'. The book is written as to serve as a guide that explores the intricate world of intellectual property rights. The review highlights how the book serves as an essential resource for legal professionals, students, and creative minds, offering a clear, structured analysis of intellectual property rights across various industries. With a blend of theoretical frameworks, real-world case studies, and ethical considerations, Nair underscores the book's value in bridging the gap between law and practical application, making it a must-read in the field of intellectual property law.

We extend our sincere gratitude to all those who have contributed towards the formulation and publication of volume 14. The volume is a testament to the dedication of all authors towards their discipline, as they relentlessly engage with the legal framework as the world stands at the crossroads of innovation and witnesses novel legal intricacies arising thereof, every day. The authors' willingness to share their craft with our readership coupled with their faith and cooperation with



respect to the editorial process forms the bedrock of the continued success of IJIPL, over the last 14 years.

Needless to mention, the volume could not have acquired its nuance but for the contribution of the peer reviewers, who have dedicated their precious time and effort to refine the articles published in this volume. Their expertise, translated into evaluations and constructive comments for our authors, has undoubtedly been an invaluable part of sculpting volume 14.

We also express our appreciation towards the university administration, which has dedicatedly supported the growth of academic excellence. The university administration's encouragement and resources have paved the trajectory for IJIPL to continue actively engaging in intellectual property law related scholarship since its inception. Again, the past year was no different, with the administration providing assistance wherever necessary, to ensure a seamless work environment for our Editorial Board.

Lastly, we thank our readers, for whom we strive to publish content of the greatest quality. Your continued support has encouraged us to continue actively engage in intellectual property law and provide you with pieces that are stepping stones to the nourishment of intellectual property scholarship and discourse around the globe.

Before our readers may appreciate the unique pieces published in this volume, here is a summary of some significant advancements in Indian intellectual property laws over the past year. Notably, such advancements reflect a growing emphasis on protecting the rights of creators and ensuring transparency in the digital marketplace.

In March 2024, the Department for Promotion of Industry and Internal Trade introduced the Patents (Amendment) Rules, 2024, which brought about crucial changes to the Patents Rules, 2003. Key updates include a reduction in the timeline for filing Requests for Examination from 48 months to 31 months and relaxed rules for responding to First Examination Reports. Additionally, the frequency for filing patent working statements has shifted from annually to once every three years. Other amendments streamlined procedures for divisional applications, pre-grant and post-grant oppositions, and reporting foreign patent applications, making the patent process more efficient and user-friendly.

In the area of copyright law, the Calcutta High Court delivered a landmark ruling that reinforced the rights of authors under the Copyright (Amendment) Act, 2012. The court held that authors are entitled to statutory royalties whenever their works are publicly communicated through sound recordings. This decision arose from a case involving Vodafone's use of Caller Ring Back Tones (CRBT) featuring music protected by the Indian Performing Right Society (IPRS). The court ordered Vodafone to cease using copyrighted works without proper licensing and to pay royalties to IPRS, highlighting the importance of obtaining appropriate licenses and respecting the rights of creators.

The Delhi High Court also played a critical role in upholding IP rights on e-commerce platforms. Justice Sanjeev Narula emphasized the obligation of e-commerce platforms to display complete seller details, including geographic addresses and customer care information, as mandated by the Consumer Protection (E-Commerce) Rules, 2020.

This ruling came in a case where Abhi Traders, a retailer on Meesho.com, sought protection against unauthorized operators misusing its product images and designs. The court issued a John Doe order, restraining the defendants from copying or imitating the retailer's designs, and directed Meesho.com to ensure transparency by disclosing the sellers' details.

Adding to the string of important decisions, the Madhya Pradesh High Court upheld the independent rights of registered proprietors in the context of geographical indications (GI). In the Scotch Whisky Association (SWA) v/s JK Enterprises, the court ruled that the SWA, as the registered proprietor, could file an infringement suit without the need to implead the authorized user of the GI. This ruling clarified that both registered proprietors and authorized users could file suits independently, resolving a novel legal question about the interpretation of Section 21 of the Geographical Indications of Goods (Registration and Protection) Act, 1999.

*Editorial Board*  
2023-24

# CASE COMMENT: DEVANS MODERN BREWERIES V. JAGPIN BREWERIES

*Eashan Ghosh & Afzal B. Khan\**

## *Abstract*

*On 18 December 2023, the Delhi High Court decided Devans Modern Breweries v. Jagpin Breweries. It held that the practice of collecting empty bottles first put on the market under the Plaintiff's trademark and design and then refilling and relabelling them for 'second sale' was impermissible. In this Comment, we narrate the case from our perspective, as advocates for the Plaintiff. We do so with particular attention to the Defendant's arguments in support of their peculiar second sale practice, and why they ultimately met with no success. We show that one of the most instructive parallels to Devans lies in Europe, where the law has, from a very similar legislative starting point to India's, travelled in a direction that is considerably friendlier to second sellers. We highlight some lessons from Europe that might help inform the future of India's second sale law. Principal among them, we conclude, is the importance of imagining both the potential and the limitations of trademark rights - a lesson that was central to our learnings from Devans.*

**Keywords:** first sale doctrine, trademarks

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\* Afzal B. Khan and Eashan Ghosh are Advocates at the Delhi High Court.

## INTRODUCTION

The principle that trademark rights are exhausted upon the first sale of a product bearing the trademark is *terra firma* in the legal world. The ‘first sale doctrine’, as it is sometimes called, has a complex and storied history. It suffices us to say here that the principle itself can be traced, with no great difficulty, at least as far back as the 1920s.<sup>1</sup>

One popular furrow in this field is the study of how trademark law is deployed to intrude on the market for repackaged, relabelled, or otherwise repurposed products *after* the first sale. This is a divisive subject; one on which Indian law was non-committal well into its post-TRIPs era.

That silence was emphatically breached in October 2012, when the Delhi High Court decided *Wadhwa v. Samsung Electronics*.<sup>2</sup>

*Wadhwa* returned two notable findings. First, it ruled that the resale in India of trademarked products first purchased abroad was legal. Tellingly, it did so for reasons of law and not policy. It held, on balance, that India’s Trade Marks Act, despite some careworn language, posed no impediment in theory to domestic resale.<sup>3</sup> Second, studying and aligning its position with several other jurisdictions, *Wadhwa* drew up

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<sup>1</sup> A good illustration from this time period is the April 1924 United States Supreme Court decision in *Prestonettes v. Coty* 264 US 359 (1924).

<sup>2</sup> 2012/DHC/6136-DB (*Wadhwa*).

<sup>3</sup> *Wadhwa* (n 2), [51]-[58], [68]-[72], interpreting ss 30(3) and 30(4) of the Trade Marks Act 1999, and overturning a first instance ruling in *Samsung v. Wadhwa* 2012/DHC/1140.

certain limitations on the first sale doctrine.<sup>4</sup> Key among them was a renewal of the first seller's right to oppose further dealing in its products if they were changed or impaired after the first sale.<sup>5</sup>

This background to the first sale doctrine will be of value in appreciating, in full aspect, *Devans Modern Breweries v. Jagpin Breweries*,<sup>6</sup> the case that we take up to discuss in this Comment. An introduction to its facts follows in §2. We then pick up the Defendants' two central defences in §3 and §4, and summarise the court's finding in §5. In §6, we find kinship for *Devans*' peculiarities in European law, where the interaction between trademark law and second sales is administered by courts markedly differently from how it is in India. We conclude in §7 by picking up on a couple of lessons from this European expedition.

## THE DEVANS GAMBIT

In late 2018, Devans Modern Breweries approached us with a seemingly rudimentary question. How much control, they asked, could they exercise over products bearing their trademark? The question revealed itself as we investigated, on Devans' behalf, a set of facts far removed from the usual consternations of a trademark dispute.

Devans are in the liquor trade. Their beer bottles are easy to identify on sight. Each bottle has the trademark 'DEVANS' conspicuously

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<sup>4</sup> *Wadhwa* (n 2), [44]-[45], studying legislative accommodation for the first sale doctrine in the European Union, the United Kingdom, Australia, Brazil, Turkey, Singapore and Hong Kong.

<sup>5</sup> *Wadhwa* (n 2), [67], interpreting the phrase 'where there exist legitimate reasons for the proprietor to oppose further dealings in the goods, in particular where the condition of the goods has been changed or impaired after they have been put on the market' that appears in s 30(4).

<sup>6</sup> 2023/DHC/9138 (*Devans*).

embossed onto its glass at the neck. This supplied keen focus to reports that their bottles were being resold without permission. A few exertions in the market promptly isolated a curious collection of retail products. We found beer bottles, with ‘DEVANS’ etched into their necks, but wrapped across their sidewalls with trademark labels announcing them as Jagpin’s ‘COX 1000 STRONG PREMIUM BEER.’

It required little imagination to see that these were repurposed Devans bottles. Indeed, Jagpin themselves never denied this fact outright. Devans’ bottles, then, were both being *secured from* and being *released back into* the open market. Immediately, this excited Devans’ intellectual property interest.

Jagpin’s repackaging, as far as we could tell, proceeded as such. Their agents would Hoover up used beer bottles from scrap dealers, refill the empty bottles with their own beer, replace any surviving labelling on the used bottles with their own, and simply roll the bottles back out into commercial circulation - but this time, as Jagpin products.<sup>7</sup>

In a different setting, this sort of recycling might have passed unremarked. However, when Devans’ attention was called to scores of Jagpin-branded bottles in the retail market with the ‘DEVANS’ embossing still strikingly visible on them, there came a limit to their commercial patience. There could be no question that each of these beer bottles was a product bearing two rival trademarks without the authorization of one.

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<sup>7</sup> Devans (n 6), [7], [11].

Jagpin's re-use, which we will call a 'second sale', implicated two sets of Devans' intellectual property rights. Devans holds a sheaf of trademark registrations in its trading name. It also holds a design registration in the shape and configuration of its beer bottle. We pressed both into service against Jagpin here.<sup>8</sup>

The principal relief we sought was injunctive. We even floated a pre-hearing proposal putting a final settlement on the table in exchange for Jagpin putting a halt on their second sale of Devans' bottles.<sup>9</sup> Jagpin, however, declined, and never made a counterproposal.

They elected, instead, to oppose our claim. This aggravation forced our hand. We secured an *ad interim* injunction against Jagpin's use of Devans' bottles as part of their second sale practice, some six months after our initial proposal.<sup>10</sup>

### THE HONEST PRACTICE DEFENCE

Fascinatingly, Jagpin's defence did not run from the surreptitious undertones of its second sale practice. In fact, they embraced it.

Edited for clarity, this is Jagpin's argument in full:

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<sup>8</sup> *Devans* (n 6), [5]-[6].

<sup>9</sup> *Devans* (n 6), [8], *per* order dated 14 January 2019.

<sup>10</sup> Merits to one side, the suit record betrays that Jagpin's litigation strategy here, if it was directed at drawing out the case, *did* meet with some results. Having swerved our proposal, Jagpin jammed the docket with enough interim motions to avoid a full judgment for nearly five years (albeit four-and-a-half of those under injunction). Even allowing for the *interregnum* forced by COVID-19, this is an unusually long time for intellectual property infringement litigation of this nature concluded without once sitting at a table for trial.



“It appears that some Devans bottles were collected second-hand from scrap dealers due to a shortage of bottles. This is not a Jagpin practice but it was done, in this instance, by junior staff.

The bottles so sourced bear various brands. Jagpin does not pick and choose Devans’ bottles alone. These markets are free markets, and there is no bar on Jagpin (or anyone else to purchase) any item from such markets. The liquor industry, unlike the soft drinks industry, does not have any mechanism whereby used, empty bottles are taken back by the manufacturer from the retailer. Thus, Jagpin is within its rights to procure any type of used empty bottle from the market for further use. There is no legal bar against collecting second-hand bottles from the market.

Jagpin are within their rights to use Devans’ empty bottles as long as Devans does not devise some mechanism whereby used bottles are taken back for re-use, along the lines of a distribution chain similar to the one adopted by the soft drinks industry, where the retailer deposits some money from the consumer for the used empty bottle and then returns the deposit after the bottle is returned from the consumer.

Devans should evolve a system where it is lucrative for the consumer to return the bottle. This would ensure that the used empty bottles are not available in the free market and are brought under market control. Jagpin is within its rights to use these bottles. People use such bottles for various purposes and Devans cannot stop them from using the bottle because the purchaser buys the liquor and the bottle.”<sup>11</sup>

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<sup>11</sup> *Devans* (n 6), [11], *per* ¶ I, J, and L of Jagpin’s Statement of Defence.

It carried, in spirit, the same flavour as the ‘honest practice’ defence to trademark infringement under Section 30(1) of the Trade Marks Act. This holds that unsanctioned trademark use will not be infringement if it chimes with *bona fide* prevailing industry practice. A prevailing industry practice - or ‘honest practice in industrial or commercial matters’, to give it the full weight of its legal phrasing - must be established by a Defendant seeking to access this defence.<sup>12</sup> Second sellers in the beer bottle trade have, on occasion, pressed this defence to trademark infringement, though without advantage.<sup>13</sup>

On closer scrutiny, though, Jagpin’s defence was different from a typical Section 30(1) invocation. It engaged us in two distinct ways.

First, Jagpin did not simply assert that its second sale of relabelled Devans bottles was legitimate industry practice. It also implied that the first sale wiped clean any *physical ability* for a Devans bottle to continue to function as a carrier of Devans’ trademark. Under this line of thinking, at the point of second sale, a Devans bottle turned into just a bottle, no better or no worse than if Jagpin committed one of its own bottles to the same purpose.<sup>14</sup> Taken to its logical end, this position

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<sup>12</sup> *Som Distilleries & Breweries v. SABMiller* 2013 (56) PTC 237 (Bom)(DB) [12].

<sup>13</sup> *SABMiller v. Som Distilleries & Breweries* 2013 (54) PTC 291 (Bom) [25].

<sup>14</sup> The ever present danger in this line of thinking, of course, is that this logic is perfectly transferable and reflexive. If a third party were to run the same defence using Jagpin bottles in place of Devans bottles, Jagpin’s position here would, by default, compel them to also stand behind such third party use. See, for instance, *Skol Breweries v. Som Distilleries & Breweries* 2013 (2) MPLJ 55, [31], where the Madhya Pradesh High Court hesitated to grant an interim injunction to the Plaintiffs on a trade mark claim on the strength of the suggestion that the Plaintiffs were, in fact, refilling their own product using the Defendants’ beer bottles.

*Per contra*, see *Mount Everest Breweries v. State of Madhya Pradesh* 2020 (83) PTC 215 (MP), [2], [4], where the same High Court took a dim view of second

utterly hollows out a trademark proprietor's right to oppose second sale of any description. (The *Wadhwa* position, we may recall, is pro-second sale but does leave trademark proprietors plenty of room to oppose.)

Jagpin's argument, however, went further. It asserted a *positive right* to re-use Devans' bottles on account of what was effectively a *limitation of service* at Devans' end. We understand Jagpin's position to mean that, even if their refilling and relabelling of Devans trademarked bottles could not formally access protection as an honest practice under Section 30(1), it would *not* be infringement because any infringement-like consequences suffered by Devans *were their own fault* for not reclaiming their used bottles from the market. Jagpin were not, we think, merely looking to exploit a loophole in the recycling practices of the industry. We believe they were canvassing that, rather than their re-use being excused or legitimised by prevailing practice, *the beer bottle industry itself was fundamentally inhospitable to the proper functioning of trademark rights*. This is, properly speaking, the *inverse* of an honest practice defence.

However, if we have hit upon the true spirit of this line of argument, then, in an instant, this case rises from the fairly commonplace to the exceedingly remarkable. It is certainly the very first instance in Indian law to our knowledge where a trademark Defendant has insisted that a trademark infringement claim against it could not stick because the conditions of the industry made this impossible.

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sellers who were alleged to be scratching out trademarks embossed onto beer bottles with a view to disguising original trademark.

## ADDED MATTER

Jagpin's position on the *effects* of its second sale practice was less radical. With corrections to aid narration, we reproduce it here:

“Jagpin's bottles are distributed to various dealers in big cartons containing several bottles. The design of the bottles is not visible at all to the naked eye. It is only the packaging, at most, that is visible at the time of sale.

At the point of sale, bottles are not displayed out in the open but are kept in cartons. These cartons only bear the print of the label on the outside. Devans' designs on the re-used bottles are not even visible to consumers, leaving no scope for any confusion in the minds of the purchasing public. The entire transaction is based on the trademark visible on the bottles. Thus, Devans' bottle design does not contribute at all at the point of sale. Even at other places like bars and restaurants, the consumer orders a drink by the trademark. The bottle is irrelevant in such a case.”<sup>15</sup>

In other words, Jagpin hitched its wagon to the claim that the presence of its own trademark label on the second sale bottles *overrode* Devans' registered design rights over the same bottles. This position, we ought to acknowledge, is not entirely unsupported by precedent.<sup>16</sup>

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<sup>15</sup> *Devans* (n 6), [11], *per* ¶ K of Jagpin's Statement of Defence.

<sup>16</sup> We do not wish to put too fine a point on it here but the unfortunate reality of the beer bottle market is that of a cluttered mess of competing design rights, where standout originality, in the sense envisioned by designs law purists, is rarely found.

Moreover, Jagpin's claim that beer bottles are told apart largely on the back of the trademarks they carry has also sometimes been viewed generously. See, for instance, *Skol Breweries v. Som Distilleries & Breweries* 2019 (77) PTC 164 (MP) [16]

Primarily, though, we diagnosed Jagpin's stance as a variation of the 'added matter' conjecture. It holds that a Defendant may escape trademark liability if the overall presentation of its product contains added matter that is sufficient to distinguish it from the Plaintiff's product. This proposition has been known to Indian trademark law since the 1960s.<sup>17</sup>

What is perhaps overlooked, though, is that the 'added matter' escape has long held pride of place in India's statutory architecture.<sup>18</sup> The present iteration of it, under Section 29 of the Trade Marks Act, 1999, is the heartiest one yet.<sup>19</sup> Simply put, it holds that trademark Plaintiffs need to establish likely public confusion on account of the Defendants' infringing use. This leaves the door open for Defendants to rely on added matter in the presentation of their product to demonstrate that there will not be public confusion. The only scenario in which added matter is ineffective is where Defendants use an identical trademark on an identical product. Applied to Jagpin's practice, the upshot of this legal position was clear. Since Devans' trademark continued to be carried on an identical product on the second sale, Jagpin's 'added

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[20] [26-27], relying on Supreme Court decisions in *Cadila Health Care v. Cadila Pharmaceuticals* (2001) 5 SCC 73; *Patel v. Shab* (2002) 3 SCC 65.

<sup>17</sup> See *Sharma v. Navratna Pharmaceutical Laboratories* AIR 1965 SC 980, [28], which originally postulated 'added matter' as a thoroughfare defence for passing off Defendants.

<sup>18</sup> See s 29(2) of the Trade & Merchandise Marks Act 1958 (India) and s 21 of the Trade Marks Act 1940 (India).

<sup>19</sup> See Eashan Ghosh, 'A Nuanced Trademark Distinction: 29(1) vs 29(2)?' (*Spicy IP*, 16 June 2017) <<<https://spicyip.com/2017/06/on-sections-291-and-292-of-the-trade-marks-act-i-guest-post-by-eashan-ghosh.html>> accessed 15 August 2024.

matter’ offered no escape at all. In such cases, the law *assumes* public confusion, and infringement is automatic.<sup>20</sup>

These statutory levers proved useful to us here. For one, they tightened the net of trademark infringement around Jagpin. For another, they short-circuited any prospect of Jagpin’s practice being drawn into the choppy waters of the *degree* of public confusion needed to justify injunctive relief in ‘added matter’ cases.<sup>21</sup>

## THE RULING

In the event, neither Jagpin’s attempt to invert the honest practice defence nor its endeavour to override Devans’ rights with added matter bore fruit. The Delhi High Court demonstrated no enthusiasm whatsoever for either line. It confirmed our *ad interim* injunction in August 2023.<sup>22</sup> Barracked by the injunction, Jagpin eventually gave over. On 13 September 2023, it handed in what was, in effect, a

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<sup>20</sup> See ss 29(2)(c) and 29(3) of the Trade Marks Act 1999 (India).

<sup>21</sup> The Delhi High Court has proved to be especially fertile ground in recent years for discussions on the degree of public confusion and, more specifically, initial interest confusion. See generally, *FDC v. Faraway Foods* 2021/DHC/493; *AMPM Fashions v. Mehta* 2021/DHC/3531; *Dharampal Satyapal v. Mehio* 2022/DHC/4090; *Intercontinental Great Brands v. Parle* 2023/DHC/953; *The Institute of Chartered Accountants of India v. The Institute of Cost Accountants of India* 2023/DHC/2170; *GlaxoSmithKline Pharmaceuticals v. Horizon Biocenticals* 2023/DHC/2390; *Under Armour v. Aditya Birla Fashion & Retail* 2023/DHC/2711; *INSEAD v. Fullstack Education* 2023/DHC/3524; *Foodlink v. Wow Momo* 2023/DHC/5521; *Google v. DRS Logistics* 2023/DHC/5615-DB; *Sun Pharma Laboratories v. Finecure Pharmaceuticals* 2023/DHC/5755; *Policybazaar Insurance Web Aggregator v. Coverfox Insurance Broking* 2023/DHC/6407; *Pepsico v. Parle Agro* 2023/DHC/6809; *Pernod Ricard v. AB Sugars* 2023/DHC/7842; *Van Tibolli v. Rao* 2023/DHC/9407; *Puma v. Indiamart* 2024/DHC/20; *Allied Blenders v. Hermes Distillery* 2024/DHC/288; *Lotus Herbals v. DPKA Universal* 2024/DHC/565.

The opportunity to bypass this issue before the same forum, then, was a matter of no small relief to us on the Devans side of the fence.

<sup>22</sup> *Devans* (n 6), [12].

concession on affidavit. Though it did not walk back its defence on merits, Jagpin admitted that its use of Devans' bottles was inadvertent and committed to an effort not to re-use them.<sup>23</sup>

The Court read this for what it was: a no-contest to the trademark and design infringement charges. On 18 December 2023, it duly confirmed a full and comprehensive injunction, with prejudice, on Jagpin's second sale practice.<sup>24</sup> In doing so, *Devans* firmly piloted second sale law away from the controversial direction in which Jagpin appeared determined to take it.

## LESSONS FROM EUROPE?

At this stage, we are bound to make a concession of our own.

We must admit that, despite its value to us professionally, *Devans*' value to the broader trademark law on second sale practices is lesser than it once promised to be. At most, it represents a satisfying answer to a small question.

The larger question - of how far Indian law is willing to push the *Wadhwa* line in second sale cases that seriously re-imagine the presentation of the final product - remains remarkably open. Its answer, we are convinced, requires us to look beyond Indian law, and to Europe in particular.

The existing European *grundnorm* on second sale is not dissimilar to the position *Wadhwa* eventually settled on.<sup>25</sup> It holds that there is a

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<sup>23</sup> *Devans* (n 6), [14], quoting Jagpin's Affidavit, ¶3-6.

<sup>24</sup> *Devans* (n 6), [25]-[26].

<sup>25</sup> The link between the two is hardly obscure. The facts in *Wadhwa* required both the court of first instance court, *Wadhwa* (n 2), [70]-[84], [93] as well as the

generalised trademark right to oppose unauthorised sale but this right is exhausted within the territory of Europe upon first sale.<sup>26</sup> This has been European Union law since the 1970s.<sup>27</sup> It was ring-fenced in the 1990s, when, alongside the development of trademark law authorising parallel imports,<sup>28</sup> the Court of Justice of the European Union (CJEU) endorsed a thicket of detailed restrictions on the practice of repackaging for second sale.<sup>29</sup> These restrictions were originally applied to pharmaceutical products; a domain where there was (and is) arguably more than just trademark proprietors' narrow commercial

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appeals court, *Wadhwa* (n 2), [44]-[46], to lean heavily on European law, not least on account of what was more than just a handshake of familiarity between the framing of the right of proprietors to contest second sales under what is now Article 15 of Regulation (EU) 2017/1001 and India's ss 30(3) and 30(4).

<sup>26</sup> See arts 9(2) and 15 of Regulation (EU) 2007/1001. This general principle extends, with a few accommodations, to cover sale of fresh as well as used products. See Case C-337/95 *Dior v. Evora* ECLI:EU:C:1997:517; Case C-63/97 *BMW v. Deenik* ECLI:EU:C:1999:82, and Case C-558/08 *Portakabin v Primakabin* ECLI:EU:C:2010:416 (*Portkabin*).

See further, Annette Kur, 'As Good as New' - Sale of Repaired or Refurbished Goods: Commendable Practice or Trade Mark Infringement?', 70(3) *GRUR International* 228-236 (2021), p. 232 (Kur).

<sup>27</sup> Case C-16/74 *Centrafarm v. Winthrop* ECLI:EU:C:1974:115.

<sup>28</sup> See generally, Case C-10/89 *CNL-SUCAL v. HAG* ECLI:EU:C:1990:359, Case C-9/93 *IHT v. Ideal-Standard* ECLI:EU:C:1994:261, Case C-355/96 *Silhouette v. Hartlauer* ECLI:EU:C:1998:374, and Case C-324/09 *L'Oréal v eBay* ECLI:EU:C:2011:474.

<sup>29</sup> Cases C-427/93, C-429/93, and C-436/93 *Bristol-Myers Squibb v. Paranova* ECLI:EU:C:1996:282. The 'BMS conditions', as they have come to be known, set out that: (i) the repackaging must be necessary for commercialising the products in the import market, (ii) the condition of the products must not be affected, (iii) the repackaging must be made transparent on the products, (iv) the importer must inform the manufacturer about the repackaging, and (v) the repackaged presentation must not be such that it damages the reputation of the owner's trademark.

The CJEU has also applied the BMS conditions to parallel imports of products other than medicines, and to further dealing other than repackaging. See Kur (n 26) p. 232, Case C-349/95 *Loendersloot v. Ballantine* ECLI:EU:C:1997:530, and Case C-379/97 *Pharmacia & Upjohn v. Paranova* ECLI:EU:C:1999:494.



interest at issue. More recent case law out of the CJEU has dug further into this repackaging rabbit hole. As a result, European law now hints at a conceptual gradient between mere relabelling of second sale products at one end and repackaging in the full sense of the term at the other.<sup>30</sup>

In all such cases, the hand of judicial intervention is forced where the second sale interferes with the indication of source represented by a trademark *i.e.* the guarantee that all products bearing a trademark emanate from the same source that is accountable for their quality.<sup>31</sup>

A great illustration of how this context can visit live cases is *Viking Gas v. Kosan*,<sup>32</sup> decided by the CJEU in July 2011. This case asked

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<sup>30</sup> See the November 2022 rulings in Cases C-147/20, C-204/20, and C-224/20 *Novartis Pharma v. Abacus Medicine* ECLI:EU:C:2022:891-893, which concluded that traders needing to break seals on original packaging to prepare products for second sale while complying with European regulations on safety features for prescription products was not a strong enough justification for them to fully replace the outer packaging.

These decisions appear to us to be a notable backstop, at least for the time being, against the general drift towards allowing greater freedom of business for second sellers that has felt inevitable at least since May 2018's decision in Case C-642/16 *Junek Europ-Vertrieb v. Lohmann & Rauscher* ECLI:EU:C:2018:322, which had held that the insertion of a label containing a second seller's contact information did not constitute actionable repackaging since it did not affect the core function of a trademark.

<sup>31</sup> We state this summarily here, but there is plenty for Indian law to learn from a lively European debate on how detailed an assessment of the additional functions served by trademarks is appropriate to make good this inquiry. See Kur (n 26) p. 231, contrasting the CJEU's deferential approach in *B*, and Case C-228/03 *Gillette v. LA Laboratories* ECLI:EU:C:2005:177, with a more expansive deliberation on these functions in Case C-487/07 *L'Oréal v Bellure* ECLI:EU:C:2009:378, Cases C-236-238/08 *Google v. Louis Vuitton* ECLI:EU:C:2008:389 and Case C-323/09 *Interflora v Marks & Spencer* ECLI:EU:C:2011:604.

See also *Portakabin* (n 26), and Case C-129/17 *Mitsubishi v. Duma* ECLI:EU:C:2018:594.

<sup>32</sup> Case C-46/10, ECLI:EU:C:2011:485 (*Viking Gas*).

whether trademark infringement liability could be fastened onto a second seller who collected the Plaintiff's empty gas bottles, refilled them, relabelled them with fresh product literature, and then distributed them onwards to other dealers. It was common ground here that the bottles were paid for separately and could be refilled (and, indeed, were intended to be refilled).<sup>33</sup> It was similarly clear that the act of refilling gas was commercially significant. In other words, it was not some benign value addition that may qualify as 'further dealing' that the trademark proprietor could not object to.<sup>34</sup>

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<sup>33</sup> *ibid*, [8]-[12].

<sup>34</sup> We mention it in passing here, but there is a distinct sub-category of cases covering second sale after repair and refurbishment, where complications do occasionally arise but are not typically deal-breaking. At the risk of oversimplification, the standard usually applied in such cases is that repair or refurbishment turns objectionable where the change to the external condition of the product is so drastic that it no longer answers to the same general product description as before.

Since this is some distance removed from the *Devans* facts, we do not dwell on it much further here. However, our instinct is that, under Indian trademark law, such acts would be susceptible to being enjoined by Indian trademark judges long before the resultant products are bent out of their formative categories. We would not be at all surprised to see amorphous trademark claims against repair and refurbishment rewarded with injunctive relief in the near future. We speculate that such claims would probably be upheld on the strength of a generalised likelihood of confusion and the risk of trademark dilution, even though the legal question underlying the claim - that of whether such second sale would be actionable under trademark law in the first place - appears to us to be far from settled.

It may also be worthwhile to consider a curious counterpoint. Similar cases are, on the comparative, resolved with far greater completeness under designs law, which tends to favour a coarser, more inclusive test of whether the article is separable from the whole, and whether that separable portion has life as an independent article of commerce. See generally, *Marico v. Raj Oil Mills* 2008 (37) PTC 109 (Bom)(DB), [17]-[18], [25], [27]-[28], [43]-[44], overruling *Marico v. Raj Oil Mills* 2007 (35) PTC 330 (Bom), and *Ford Motor Co's Design Applications* (1995) 112 RPC 167.

Finally, we may also call to mind the distinction that patent law often insists on between permitted repairs and prohibited reconstruction of the patented product. See *Kur* (n 26), p. 233. See also Simon Geiregat, "Trading Repaired

These facts make *Viking Gas* the tightest parallel we can find for *Devans*. Remarkably, *Viking Gas* actually *allowed* the second sale over the Plaintiffs' objections. It did so for two reasons that, we imagine, would be hotly contested in India. First, the CJEU reasoned that the first sale had fully realised the economic value of the bottles to the Plaintiffs. Second, it concluded that preventing this particular second sale practice would, on balance, unacceptably restrict purchaser choice and throttle competition in the downstream market.<sup>35</sup> The CJEU has turned back trademark infringement claims against refillers in other cases as well.<sup>36</sup>

The size of the gap between the Indian and European approaches to second sale practices despite similarly worded legislation is of quite some interest. Part of it is undoubtedly explained simply by geography. India is an amorphous, disaggregated but still unitary domestic market. The European Union, on the other hand, is, in reality, several discrete but geographically contiguous national markets rolled into one. The economic imperative, if nothing else, to sell on products that have not yet lost their usefulness is, understandably, more urgent in the latter case than the former. Even so, we cannot help but think that the CJEU's standard-setting - in constructing and maintaining this wide a lane for *Viking Gas*-style cases - has contributed appreciably to Europe's more liberal second sale culture.

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and Refurbished Goods: How Sustainable is EU Exhaustion of Trade Marks? (2023) 73(4) GRUR Intl. 287.

<sup>35</sup> *Viking Gas* (n 32), [31]-[34], and *Kur* (n 26), p. 230.

<sup>36</sup> See, for instance, Case C-119/10 *Frisdranken v. Red Bull* ECLI:EU:C:2011:837, [30]-[37].

To hit its next peak on this subject, Indian trademark law could do far worse than to absorb lessons from how and why this more liberal second sale culture has come to be crafted. Some of these lessons, of course, are to be found in case law parallels, where *Viking Gas/Devans* is surely just the tip of the iceberg. Other lessons, though, may well lie in concepts and heuristics that have not yet excited comment in India, but whose statutory foundations in Indian trademark law are more robust than many may realise.<sup>37</sup> Articles 14(1)(b) and 14(2) of Regulation (EU) 2007/1001, to call on just one example, expresses the honest practice defence in words functionally identical to Sections 30(1)(a) and 30(2)(a) under Indian law. However, while the honest practice defence has largely stayed within its modest sandbox in India, Article 14 case law has opened the door, across Europe, for avenues where multiple trademarks may attach to a single product in different phases of commerce - a category identified in some literature as 'combined use'.<sup>38</sup> Such an extrapolation should not, in theory, be impossible under Indian law.

To be sure, avenues to exploit the limitations of India's second sale law, of the type that Jagpin volunteered in *Devans*, may well persist. Nevertheless, more contemplative paths that build on this second sale law by pushing its limits are unquestionably of greater moment.

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<sup>38</sup> See Kur (n 26), pp. 234-235.

## CONCLUSION

*Devans* is now final.<sup>39</sup> From a hierarchy standpoint, its full-throated rejection of Jagpin's transparent, almost farcical repurposing of *Devans*' bottles in a final judgment on merits is of some significance. Its consequence is that *Devans* now sits atop what is now a vigorous Delhi High Court consensus against such second sale practices.<sup>40</sup> We can hardly go wrong in stating that *Devans* applies trademark infringement law by the letter. Equally, we can take no pleasure in venturing that Jagpin's nakedly disingenuous attempts to invert the honest practice defence and confuse the public confusion standard got exactly what they deserved.

Yet, as we acknowledged in §6, despite its poor fit on facts, Jagpin's *legal position* that a second sale practice *of some description* might be tenable in the beer bottle trade was not entirely without substance. European law is quick to supply us with examples to show how legislation very similar to ours might be deployed to the advantage of second sellers.

The key learning from our European detour is one of judicial attitudes. We do not think it is contentious to suggest that the signature difference between European and Indian second sale law is the CJEU's *acceptance* of the importance of a flourishing second sale market. Under this view, if any economic harms or market distortions are occasioned

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<sup>39</sup> Limitation on a possible Jagpin appeal ran out on 16 February 2024, *per s* 13(1A), Commercial Courts Act 2015 (India).

<sup>40</sup> See previously, *Allied Blenders & Distillers v. Rangar Breweries* 2019/DHC/2773; *Anheuser-Busch v. Lal* 2022/DHC/972; *Som Distilleries & Breweries v. Regent Beers & Wines* 2022/DHC/5171, each of which was cited with approval in *Devans* (n 6), [16]-[19].

on account of repackagers, refillers and the like, then those are *problems to be solved for*, rather than defined out of the scope of legality by legislative or judicial fiat. This attitude is borne out by the fact that European law routinely *demand*s that second sellers disclose their own bibliographical details *alongside* the original trademark at the point of second sale.

This is precisely the sort of hard factual that Indian trademark courts have shrunk away from revisiting in recent years. As a result, Indian second sale law has stagnated - if not entirely stopped - at *Wadhwa*.<sup>41</sup> By contrast, European practice shows us that the space for commercial co-existence, even in such superficially conflicting cases, is tolerably large.<sup>42</sup> Such an open approach will inevitably create a market with a lot of information - possibly *too much* information - floating around in it. European law has recognised this and made peace with it. Indian law has not yet arrived at this pass.

It should go without saying, then, that the challenge that lies before us in India now and in the future is at least partly philosophical. To develop second sale law, we have to first develop a deeper, richer imagination for the various functions that trademarks can and should

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<sup>41</sup> See generally, *Microsoft v. Jayesh* 2014/DHC/995, *Philip Morris v. Sameer* 2014/DHC/1296, *Philip Morris v. Singh* 2014/DHC/1297, *Patanjali v. Masala King Exports* CS(COMM) 107/2019 (Delhi High Court, 18 March 2019), *Amazon v. Amway* 2020/DHC/698-DB, and *Western Digital v. Raaj Computer* 2022/DHC/3771. Each of these decisions read *Wadhwa* in some detail, yet none of them advanced second sale law in any meaningful way.

<sup>42</sup> See Case C-206/01 *Arsenal v. Reed* ECLI:EU:C:2002:651, Case C-48/05 *Adam Opel v. Autec* ECLI:EU:C:2007:55, *Portakabin* (n 26), and *Kur* (n 26), p. 235, discussing disparate sources of point-of-sale and post-sales confusion likely to arise in such cases.

be pressed to reliably perform.<sup>43</sup> The starting point for this exercise may well be the same question we had dismissed as seemingly rudimentary back in late 2018: How much control can someone exercise over products bearing their trademark?

We feel confident in saying that a fulfilling answer to this question could well define the future of second sale law in India.

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<sup>43</sup> See generally, Apostolos Chronopoulos, 'Exceptions to Trade Mark Exhaustion: Inalienability Rules for the Protection of Reputational Economic Value', 43 (6) *European Intellectual Property Review* 352-365 (2021), pp. 361-364, and Annette Kur and Irene Calboli, 'Editorial: Intellectual Property in the Circular Economy' 18(5) *J.I.P.L.P.* 337-338 (2023), pp. 337-338.

**GUARDIANS OF GRAFFITI: A CASE NOTE ON ST+ART  
INDIA FOUNDATION & ANR V. ACKO GENERAL  
INSURANCE**

*Devansh Shrivastava\**

*Abstract*

*This paper addresses the underexplored area of Section 52 of the Indian Copyright Act and the concept of freedom of panorama, with a focus on the St+Art India Foundation & Anr. v. Acko General Insurance case (“St+Art”). The case has the potential to become a landmark ruling, providing critical insights into the limits of copyright and fair dealing in relation to public artworks. The paper is structured into four sections: Section I presents an overview of the case and its central legal question concerning the applicability of fair dealing under Sections 52(1)(t) and (u). Section II critiques the arguments against fair dealing, while Section III supports the fair dealing defense, emphasizing the statutory protection of public art under the freedom of panorama doctrine. Section IV examines the broader implications for street art and graffiti in the face of corporate appropriation, proposing a legal framework that grants freedom of panorama exclusively for non-commercial uses. The paper concludes by introducing a novel legal test to distinguish between commercial and non-commercial use, aiming to resolve ambiguities in copyright*

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\* Devansh is a second-year student at the National Law School of India University, with a keen interest in intellectual property law. He would appreciate any feedback on the paper, which can be sent to devansh.shrivastava@nls.ac.in.



*enforcement and protect artists' rights against unauthorized commercial exploitation.*

**KEYWORDS:** Section 52, Copyright Act 1957, fair dealing, commercial purpose

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## **INTRODUCTION**

In India, there exists a deficiency in both jurisprudence and literature addressing Section 52 of the Copyright Act (“Act”) and the concept of freedom of panorama. *St+Art India Foundation & Anr. v. Acko General Insurance* (“St+Art”) possesses the potential to become a landmark ruling and a significant authority on the same.

This case note is organized in four sections. Section I provides a brief overview of the arguments in this case, outlining the central legal question. Sections II and III explore the court’s potential options on fair dealing. Section II scrutinizes arguments against fair dealing, while Section III evaluates the arguments in its favour, challenging the points raised in the previous section. In Section IV, the broader challenges faced by street art and graffiti movements due to corporate appropriation are addressed. This paper proposes a solution to this problem by recommending a grant of exclusive freedom of panorama for non-commercial use. Finally, the paper introduces a novel legal test to distinguish between commercial and non-commercial use, addressing the ambiguity in copyright enforcement.

## I. BACKGROUND OF THE CASE

Plaintiffs had filed a lawsuit against the defendant, claiming unauthorized use of their mural ‘Humanity’ in the ‘Welcome Change’ advertisement campaign. The defendant argued fair dealing under Sections 52(1)(t) and 52(1)(u) of the Act, as it exempts the reproduction of artistic works permanently situated in public places from infringement. Plaintiffs countered that, despite public placement, the mural is temporary, making the exemptions inapplicable. They contended that the defendant’s use of the mural in its advertisement is for commercial purposes and not covered by fair dealing. In this case, the court was tasked with determining, “*whether the actions of the defendant fall within the ambit of fair dealing as outlined in Section 52(1)(t) and 52(1)(u) of the Copyright Act, 1957.*”

The court could have decided in one of two possible ways: either a determination of fair dealing, indicating no copyright infringement; or a finding of no fair dealing, establishing copyright infringement. I will now systematically present arguments from both perspectives, outlining factors which have influenced the court’s decision.

## II. ON THE ABSENCE OF ‘FAIR DEALING’

In adjudicating a copyright infringement lawsuit, Indian courts address three inquiries:<sup>1</sup>

1. Whether the plaintiffs’ claim of copyright over the alleged work is valid.

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<sup>1</sup> Ananth Padmanabhan, *Intellectual Property Rights: Infringement and Remedies* (LexisNexis Butterworths Wadhwa Nagpur 2012) 290.

2. Whether the defendant has infringed the plaintiffs' copyright.
3. Whether the defendant's actions can be justified under fair dealing, as specified in Section 52 of the Act.

If either the first or second question is answered in the negative, the judicial inquiry ends, and the following question is not pursued. Therefore, a successful copyright infringement claim requires meeting all three specified conditions.

#### *INQUIRY I*

The presence of copyright is undisputed in this case, confirming the validity of the plaintiffs' copyright.

#### *INQUIRY II*

The court in paragraph number 34 of the order observed that “*there is no doubt in the present case that the advertisement of the Defendant reproduced the mural.*” It did not get into the reasons for this observation, but it can be understood by looking at the *Substantial Reproduction* Test, as outlined by the Madras High Court in *Blackwood*.<sup>2</sup> This test assesses substantiality in terms of:

1. The quantitative reproduction of a substantial part of the copyrighted work.
2. The quality and value of the abstracted portion in relation to the copyrighted work.

#### *On Quantitative Reproduction*

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<sup>2</sup> *Blackwood and Sons Ltd. and Ors, v. A.N. Parasuraman and Ors.* AIR 1959 Mad 410.

The defendant copied the entire mural in its advertisement, not only reproducing it on a significant scale but also creating an exact duplicate of the plaintiffs' work, fulfilling prong one.

*On Qualitative Reproduction*

Qualitatively, the mural is an original expression embodying the plaintiffs' vision for urban regeneration through art. The mural was not incorporated incidentally or as background but served as the focal point of the defendant's advertisement. Since the entire mural was reproduced, it follows that the essence and most important parts of the mural, qualitatively, have also been reproduced, fulfilling the second prong of the test.

The defendant's reproduction, thus, both quantitatively and qualitatively, surpasses the threshold set by the *Substantial Reproduction* Test. Therefore, the defendant's actions unequivocally constitute copyright infringement.

*INQUIRY III*

The defendant argued a case of fair dealing under Sections 52(1)(t) and (u). For fair dealing under Section 52(1)(t) of the Act, the defendant must meet two criteria:

1. The work must be a painting, drawing, engraving, or photograph of a sculpture or another artistic work under the Act's definition.
2. The work must be permanently situated in a public place or premises accessible to the public.

Under Section 52(1)(u), fair dealing requires meeting one of the following criteria:

1. The artistic work is permanently situated in a public place or premises accessible to the public.
2. Inclusion of any other artistic work, if incidental or background to the film's principal matters, does not constitute copyright infringement.

I will now show how the current factual matrix has failed to satisfy these criteria. Since the condition of being permanently situated is common to both sections, I will deal with it jointly in "II".

1. *THAT THE WORK IS A PAINTING, DRAWING, ENGRAVING, OR PHOTOGRAPH OF A SCULPTURE OR ANOTHER ARTISTIC WORK UNDER THE ACT'S DEFINITION.*

The plaintiffs argue that Section 2(c) defines "artistic work" broadly, encompassing paintings, sculptures, drawings, engravings, photographs, works of architecture, and any other work of artistic craftsmanship. The mural in question is a distinct painting falling under a separate category and hence falls outside the specified sub-clause (iii) of Section 2(c). As Section 52(1)(t) is limited to works falling under this sub-clause, and the mural is not explicitly covered, it suggests that Section 52(1)(t), may not apply to the reproduction or publication of the mural. However, this is an erroneous reading of the provision and has been countered in Section III.<sup>3</sup>

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<sup>3</sup> See 'On Non-Applicability of Section 52(1)(t)'.

2. THAT THE WORK MUST BE PERMANENTLY SITUATED IN A PUBLIC PLACE OR PREMISES ACCESSIBLE TO THE PUBLIC.

Section 52(1)(t) of the Act, addressing the requirement that a work must be permanently situated in a public place accessible to the public, remains largely unexplored in Indian case law. Only a single case, *The Daily Calendar Supplying*,<sup>4</sup> touches upon this section, that too without offering explicit guidance on what qualifies as a work being permanently situated in a public setting.

To understand what is meant by ‘permanently situated,’ I will use *Wrapped Reichstag*,<sup>5</sup> which holds persuasive value in the Indian legal context. The German Federal Court of Justice, in this case clarified that a work’s duration in a public place does not necessitate a fixed minimum; instead, the crucial factor is the artist’s subjective intention at the time of display. If the artist intended the work to be temporary or part of a specific project, the claim of it being ‘permanently situated’ weakens.

Following the German court’s perspective, the lack of a set minimum duration emphasizes the significance of recognizing the intention behind the work. In *St+Art India*, the plaintiffs explicitly state their intention in court, portraying it as a temporary endeavour for that specific project.

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<sup>4</sup> *The Daily Calendar Supplying Bureau, Sivakasi v. The United Concern* 1964 ILR MAD 2 666.

<sup>5</sup> *Re Postcards of the Wrapped Reichstag* [2004] E.C.C. 25.

### III. ON THE PRESENCE OF 'FAIR DEALING'

#### *STATUTORY STIPULATION & THE FREEDOM OF PANORAMA*

The argument for fair dealing arises from the clear statutory provision in Sections 52(1)(t) and (u), aligning with the concept of freedom of panorama. This legal principle grants the right to capture and use images of public structures without copyright permission.<sup>6</sup> The mural in question adheres to this statutory requirement since it is permanently located, fulfilling the purpose of freedom of panorama. Therefore, asserting non-infringement is justified.

#### *ON NON-APPLICABILITY OF SECTION 52(1)(T)*

The plaintiffs' argument against the applicability of Section 52(1)(t) of the Act, 1957, to the distinct mural is flawed. Their narrow interpretation overlooks the inclusive language of the section, which extends protection to "other artistic work falling under sub-clause (iii)" beyond the explicitly listed categories. Sub-clause (iii) of Section 2(c) broadly covers "any other work of artistic craftsmanship," intentionally encompassing diverse artistic expressions. Therefore, the mural, as a work of artistic craftsmanship, not only falls within the specified category but also qualifies as a "painting" under Section 52, making it subject to the provisions of Section 52(1)(t).

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<sup>6</sup> Mélanie Dulong De Rosnay and Pierre-Carl Langlais, 'Public Artworks and the Freedom of Panorama Controversy: A Case of Wikimedia Influence' (2017) 6(1) I.P.R. 1.

*ON COMMERCIAL PURPOSE*

The plaintiffs argued that the defendant's use of their mural in its advertisements was for a commercial purpose. The court acknowledged this, noting that it was not merely for public messaging but served a commercial purpose. However, the court did not give any definitive ruling on the aspect of "commercial purpose".

The purpose, commercial or not, should not influence the determination of fair dealing. The relevant section lacks any mention of this, creating an artificial importance without precedents. In the *Super Cassettes* case,<sup>7</sup> the court emphasized that commercial use alone does not automatically constitute unfair dealing when deciding such cases.

*ON THE TEST OF 'PERMANENTLY SITUATED'*

In *Wrapped Reichstag*, the court clarified that the crucial aspect in determining whether a work is permanently situated in a public setting lies in whether it was intended for a specific project or limited period. The court stressed the importance of the artist's subjective intention "at the time" of publicly displaying the work. In this particular case, the plaintiffs' intentions cannot be discerned from their court submissions, as these may be biased toward a favourable court decision.

Regarding the requirement of it being a specific project, the specificity of the plaintiffs' work does not indicate a temporary nature, and their contract lacks any stipulation about a limited duration for the mural's

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<sup>7</sup> *Super Cassettes Industries Ltd. v. Chintamani Rao* 2011 SCC Online Del 4712.



presence at the port. Without such specifications, a presumption that the work is temporary cannot be justified.

#### IV. THE WAY FORWARD

The street art and graffiti movement, rooted in a sharing culture, faces the challenge of corporate appropriation without proper credit.<sup>8</sup> Why is this a problem? Artists may generally tolerate non-commercial photography of their creations; however, when their work is reproduced for commercial purposes, like in postcards or books, it undermines their rightful acknowledgment and financial gain. This exemption from protection under the Act puts artists at an unfair disadvantage, especially given their typically modest earnings. Additionally, this exemption may conflict with Article 13 of the TRIPS Agreement, which stresses the importance of protecting the interests of copyright holders against unjust prejudice. Such exemptions could potentially deter artists from showcasing their work publicly.

To protect creators, I propose granting freedom of panorama exclusively for non-commercial purposes, inspired by legal models in countries like Colombia and France.

Colombia's Andean Decision 351 allows commercial use with copyright holder authorization.<sup>9</sup> In France, the Law of 7 October 2016 introduces limited freedom of panorama, although it lacks clarity on

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<sup>8</sup> Enrico Bonadio, *The Cambridge Handbook of Copyright in Street Art and Graffiti* (C.U.P. 2019).

<sup>9</sup> Marcela Palacio Puerta, 'Graffiti, Street Art and Colombian Copyright Law' in Enrico Bonadio (ed), *The Cambridge Handbook of Copyright in Street Art and Graffiti* (C.U.P. 2019) 151.

what "non-commercial" means.<sup>10</sup> Despite this, the French example offers a foundation for a more relaxed copyright system.

To address the ambiguity on how to decide the boundary between what qualifies as commercial use and what qualifies as non-commercial use, a paper by Jennifer Rothman recommends a test. The following questions should be asked to determine the distinction:

*LEGAL TEST FOR DISTINGUISHING COMMERCIAL AND NON-COMMERCIAL USE*<sup>11</sup>

1. Profit or Financial Gain:

1.1. Direct Revenue Generation: Evaluate if the use directly generates revenue, e.g., through sales, advertising, or subscriptions.

1.2. Indirect Financial Gain: Assess if the use indirectly contributes to financial gain, such as by promoting a business or attracting customers.

1.3. Access Fees: Investigate if any fees are charged for material access or use.

2. Nature of the User:

2.1. For-Profit Entities: Ascertain if the user is a for-profit entity like a business or a non-profit, like a charity or educational institution.

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<sup>10</sup> Burke S. Graffiti, 'Street Art and Copyright in France' in Enrico Bonadio (ed), *The Cambridge Handbook of Copyright in Street Art and Graffiti* (C.U.P. Press 2019) 182.

<sup>11</sup> Jennifer E. Rothman, 'Commercial Speech, Commercial Use, and the Intellectual Property Quagmire' (2015) 101 Va. L. Rev. 1929.

- 2.2. Individual Users: Establish if the user is an individual using it for personal purposes.
3. Purpose of the Use:
  - 3.1. Transformation of the Original Work: Evaluate if the use intends to significantly transform the original material.
4. Application of the Test:
  - 4.1. Lack of profit doesn't automatically classify a use as non-commercial.
  - 4.2. Assess the transformative nature qualitatively, considering alterations and creative character.

## **V. CONCLUSIONS AND REFLECTIONS**

This paper, in Section I provides a brief overview of the case's arguments and the central legal question. Sections II and III discuss the court's potential stances on fair dealing, with II exploring arguments against it and III supporting it. Section IV addresses broader challenges faced by street art and graffiti movements due to corporate appropriation. The paper suggests a solution proposing exclusive freedom of panorama for non-commercial uses, along with a new legal test to distinguish between commercial and non-commercial use.

A more flexible copyright system could support collaborative artistic movements like street and graffiti art. While concerns about public interests and property rights exist, imposing a copyright based on creation location may be excessive.

## VI. ANNEXURES

### THE MURAL



### SOCIAL MEDIA POST BY ACKO GENERAL INSURANCE



ackoindia From being known as Mumbai's oldest & largest fish market to becoming a public art gallery that is now bringing people and communities together, the Sassoon Dock represents Mumbai's spirit of #WelcomeChange!

37w

its\_fazzz\_786

36w Reply



### THE HOARDING





**ACCOMMODATING AI INNOVATION: THE  
POTENTIAL OF FREE TRADE AGREEMENTS TO  
FACILITATE A MORE FLEXIBLE INTERPRETATION  
OF THE TRIPS THREE STEP TEST**

*Maria Vásquez Callo-Müller\**

*Abstract*

*This Article explores the potential for Free Trade Agreements (FTAs) to facilitate a more flexible interpretation of the three-step test for limitations and exceptions to copyright enshrined in Article 13 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). The burgeoning field of Artificial Intelligence (AI) necessitates access to vast datasets, often containing copyrighted materials. Consequently, various jurisdictions are exploring legal amendments to their domestic copyright frameworks to foster AI innovation. These debates often consider the leeway permitted under international copyright law for adopting increased flexibilities. This Article argues that certain flexibilities embedded within 'Balance in Copyright and Related Rights' clauses found in selected FTAs hold promise for supporting a more adaptable application of the TRIPS three-step test. By analyzing these clauses, the Article assesses their potential to promote AI development by enabling a more flexible copyright space.*

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\* María Vásquez Callo-Müller, Post-doctoral research fellow, University of Lucerne, Switzerland. E-mail: maria.vasquez@unilu.ch.

**Keywords:** copyright, balance, three-step test, balance, WTO, FTAs, copyright flexibilities, CPTPP, RCEP.

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## I. INTRODUCTION: INTERNATIONAL COPYRIGHT CONSIDERATIONS OF AI

The development and training of Artificial Intelligence (“AI”) systems requires the processing of vast datasets. These datasets often encompass digital representations of copyrighted works, including literary and artistic works.<sup>1</sup> In the absence of applicable copyright exceptions and limitations, the utilization of copyright-protected content for training AI systems requires authorization from copyright rightsholders. While in some instances such authorization has occurred, in others it has been absent, as evidenced by recent lawsuits

<sup>1</sup> Recent scholarship has noted that data employed in training AI systems may violate intellectual property rights, particularly the right of reproduction. This is despite the process of tokenization that occurs when data is fed to AI systems, and despite that training data may not be permanently stored in computer servers. See for instance: Quang, Jenny, ‘Does Training AI Violate Copyright Law?’ (2021) 36 Berkeley Tech. L.J. 1407, 1414. See also: Martin Kretschmer, Thomas Margoni and Pinar Oruç, ‘Copyright Law and the Lifecycle of Machine Learning Models’ (2024) 55 Int. Rev. Intellect. Prop. Compet. Law 110. The risk of copyright infringement is further exemplified by some of the outcomes of AI systems, which in occasions have reproduced verbatim copyrighted works. See: Gary Marcus and Reid Southen, ‘Generative AI Has a Visual Plagiarism Problem: Experiments with Midjourney and DALL-E 3 Show a Copyright Minefield’ (*IEEE Spectrum*, 6 January 2024) <<https://spectrum.ieee.org/midjourney-copyright>> accessed 22 February 2024. Other scholars offer more nuanced views, noting that the copyright infringement in training AI systems will depend on the nature of datasets that are being used. Andres Guadamuz, ‘A Scanner Darkly: Copyright Liability and Exceptions in Artificial Intelligence Inputs and Outputs’ (2024) 73 GRUR Intl. 111, 113, 117. See also Pamela Samuelson, ‘Generative AI Meets Copyright’ (2023) 381 *Science* 158 <<https://www.science.org/doi/10.1126/science.adi0656>>.

in the United States (“US”), with high-profile cases like *Getty Images v. Stability AI*<sup>2</sup> and *The New York Times v. OpenAI*.<sup>3</sup> A central question in these disputes hinges on the question of whether the use of copyright materials for training Generative AI systems falls under the fair use defence under the US Copyright Statute,<sup>4</sup> and in particular, whether such use is transformative enough, or if may directly substitute their original copyrighted work.

Questions relating to the use of copyrighted works to train Generative AI systems are not entirely new. For already some years, different jurisdictions have been grappling with inquiries of how to adapt copyright protection to the challenges posed by digitalization and information analysis, specifically big data, machine learning and only recently Generative AI. Considering that copyright protection remains primarily territorial, it is not surprising that different jurisdictions have taken various approaches to modify their copyright laws to allow the use of copyright works for the training of machine learning and AI systems. One of the earliest examples of domestic copyright adaptation is exemplified by the exceptions for text and data mining (“TDM”) in the European Union Directive 2019/790 on Copyright and Related Rights in the Digital Single Market (“CDSM”)<sup>5</sup>. Other prominent examples include the amendments to Japan’s Copyright Act in 2018,<sup>6</sup>

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<sup>2</sup> *Getty Images (US), Inc. v. Stability AI, Inc.*, 1:23-cv-00135, (D. Del.).

<sup>3</sup> *The New York Times Company v. Microsoft Corporation*, 1:23-cv-11195, (S.D.N.Y.).

<sup>4</sup> US Copyright Act of 1976, s 7 (as amended, U.S.C. Title 17) (U.S.C. 17).

<sup>5</sup> arts 3 and 4 of the Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC (CDSM).

<sup>6</sup> Japan, Act No. 30 of May 2018.



which introduced Article 30-4 granting broad authorization for the use of copyrighted works in any form of ‘information analysis’. Notably, in contrast to the EU TDM case, Japan’s information analysis exception applies for both commercial and non-commercial purposes. Moreover, no explicit copyright holder authorization is needed, as long as the AI usage doesn’t cause ‘unreasonable prejudice’ to their interests or ‘materially impact’ relevant markets. More clear linkages between AI and copyright are also found in recent AI laws. For instance, the EU Artificial Intelligence Act (“EU AI Act”)<sup>7</sup> mandates that providers of Generative AI models to implement policies that comply with EU copyright law,<sup>8</sup> including the CDSM. Brazil’s pending Artificial Intelligence bill<sup>9</sup> also proposes a limited copyright exception for research organizations and institutions, journalism institutions and museums, archives and libraries. This exception allows for TDM activities for training AI systems under certain circumstances.<sup>10</sup>

Domestic limitations and exceptions to copyright protection for the purposes of training AI systems, as the ones reviewed above, do not exist in a vacuum. They build upon the leeway that the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS Agreement”)<sup>11</sup> provides. Article 13 of the TRIPS Agreement,

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<sup>7</sup> Regulation of the European Parliament and of the Council laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828

<sup>8</sup> *ibid*, art. 5, para 1 and recital 107.

<sup>9</sup> Bill No. 2,338/2023, art. 42.

<sup>10</sup> *ibid*, art. 42.

<sup>11</sup> Annex 1C Agreement on Trade-Related Aspects of Intellectual Property Rights, 15 April 1994, 1869 UNTS 299 (TRIPS Agreement).

otherwise known as the ‘three-step test’, stipulates that ‘Members shall confine limitations or exceptions to exclusive rights to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder.’ The interpretation of this provision has remained contentious in international copyright law scholarship. Critics argue the test prioritizes rights holders’ interests over broader public policy goals, like fostering innovation and access to knowledge.<sup>12</sup> Moreover, concerns have been consistently made in that applying a rigid and restrictive interpretation of the TRIPS three-step test may lead to national governments to be overly cautious when adopting copyright limitations and exceptions, hindering the further development of AI innovation.

For over more than 20 years, there have been no disputes regarding the legality of a domestic limitation and exception under the TRIPS Agreement’s three-step test.<sup>13</sup> Nonetheless, the test remains the fundamental legal benchmark for evaluating domestic limitations and exceptions to copyright. To the extent that a narrow interpretation of the test may lead to the unwillingness of governments to adopt certain

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<sup>12</sup> Cristophe Geiger et al., ‘Declaration: A Balanced Interpretation of the “Three-Step Test” In Copyright Law’ (2010) J.I.P.I.T.E.C. 119 (Cristophe Geiger et al.).

<sup>13</sup> WTO Panel Report, ‘United States – Section 110 (5) of the US Copyright Act’, adopted 15 June 2000, WT/DS160/R (s 110(5), Copyright Act (USA). This case involves a complaint by the European Communities (EC) against s 110(b)(5) of the US Copyright Act, which allowed public performance of copyrighted music without payment of royalties in certain settings (‘homestyle and business exemption’). The EC argued that this violated TRIPS art. 9(1) and the Berne Convention arts. 11(1)(ii) & 11bis(1)(iii)). The WTO panel found that the US ‘business exemption’ violated the three-step test due to its broad scope and failure to adequately compensate rights holders.

flexibilities in copyright law—for instance, to enable the use of copyright materials for AI training—the test turns to be key to determine flexibilities under international copyright law. In this paper I concentrate on an often-overlooked source that may provide elements for a more flexible interpretation to the three-step test: flexibilities incorporated in Free Trade Agreement's ("FTAs") Intellectual Property ("IP") chapters. The apparent reluctance of international copyright scholarship to investigate FTAs as possible source of flexibilities is grounded on the assumption that "[b]ilaterals focus on providing additional detail to existing producers rights. They (bilaterals) often lack provisions dealing with limits to these rights, which might prompt the conclusion that measures safeguarding user and broader societal interest are inapplicable."<sup>14</sup> This characterization corresponds mainly to North-South FTAs, in which parties such as the European Union ("EU") and US have consistently promoted TRIPS-plus obligations,<sup>15</sup> in detriment of IP flexibilities. However, this article will showcase the gradual incorporation of certain flexibilities within contemporary FTA's IP chapters, namely, FTA clauses on 'Balance in Copyright and Related Rights System' ('Balance clauses'). By reviewing these clauses, the main objective of this article is to determine if such

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<sup>14</sup> Graeme B. Dinwoodie and Rochelle C. Dreyfuss, *A Neofederalist Vision of TRIPS: The Resilience of the Intellectual Property Regime* (O.U.P. 2012).

<sup>15</sup> TRIPS-plus norms are those international norms setting higher standards of protection for IP rights than the 1994 WTO Agreement on Trade-Related Aspects of Intellectual Property Rights. For a critical approach see Thomas Cottier et al., 'The Prospects of TRIPS-Plus Protection in Future Mega-Regionals' in Thilo Rensmann (ed), *Mega-Regional Trade Agreements* (Springer International Publishing 2017) <[http://link.springer.com/10.1007/978-3-319-56663-4\\_8](http://link.springer.com/10.1007/978-3-319-56663-4_8)> accessed 11 May 2022.

clauses support a more flexible interpretation of TRIPS three-step test or not.

This article proceeds as follows. Section II explores whether FTAs' clauses contain innovative aspects, for instance, language on Balance in Copyright and Related Rights Systems. The analysis undertaken in this section will demonstrate that only a small subset of FTAs, out of a universe of more than 430, contain such clause. Section III will bring these findings into context. Specifically, Section III will explore how and to what extent this type of FTAs clauses can be employed for pursuing a more flexible interpretation of Article 13 of the TRIPS Agreement. Section IV will discuss potential implications for training AI systems, and what the limits in incorporating FTA's language into TRIPS interpretation are.

## **I. INTERNATIONAL COPYRIGHT LIMITATIONS AND EXCEPTIONS: FROM TRIPS TO TRIPS-PLUS DEVELOPMENTS**

International copyright conventions foresee a number of exceptions and limitations to limit copyright exclusive rights. Article 9(2) of the Berne Convention provides that the introduction of national exceptions to the right of reproduction shall be subject to the so-called 'three-step-test'. The test was later incorporated in Article 13 of the TRIPS Agreement dealing with limitations and exceptions, under which it applies to all of copyright's exclusive rights. Article 13 of the TRIPS Agreement provides that:

‘Members shall confine limitations or exceptions to exclusive rights to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interest of the right holder.’

The test has been widely incorporated into preferential trade agreements or FTAs. Indeed, well-established copyright scholarship has highlighted that ‘[b]uilding on the foundations established in the TRIPS Agreement, a slew of international economic agreements have fortified constraints on national copyright policy making, especially in the area of Limitations and Exceptions, by including the three-step test obligation.’<sup>16</sup>

The proliferation of the Three-step test in international treaties is not without controversy. It has been noted by many scholars that the cumulative nature of the test carries the risk that the first step— ‘to confine limitations to certain special cases’—may actually preclude policy space for adopting exceptions and limitations, such as TDM or others for scientific research.<sup>17</sup> This criticism towards a restrictive interpretation of TRIPS’ three-step test is not unfounded, as the test was interpreted by a *WTO panel in United States – Section 110 (5) of the*

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<sup>16</sup> Ruth L. Okediji, 'Reframing International Copyright Limitations and Exceptions as Development Policy', in Ruth L. Okediji (ed) *Copyright Law in an Age of Limitations and Exceptions* (C.U.P. 2017).

<sup>17</sup> Christophe Geiger et al., 'The Three-Step Test Revisited: How to Use the Test's Flexibility in National Copyright Law' (2014) 29 *Am. U. Int'l L. Rev.* The scholars note “A flexible domestic provision on E&Ls (Exceptions and Limitations), so runs the argument, is incompatible with the requirement of "certain special cases" contained in some versions of the three-step test.”

US *Copyright Act* in a controversial way.<sup>18</sup> Arguments against such interpretation are best explained in the Declaration on a Balanced Interpretation of the Three-Step Test in Copyright Law, mainly noting that the test should be analyzed comprehensively and not in a narrow way.<sup>19</sup>

In response to a narrow interpretation of the TRIPS three-step test, some scholars propose broader interpretations of other exceptions, like the quotation exception in Article 10(1) of the Berne Convention, aiming to establish a ‘global mandatory fair use’<sup>20</sup> doctrine that would supersede the three-step test. However, this focus on reinterpreting existing exceptions may neglect the potential of subsequent treaties, such as FTAs, in interpreting the test. While these agreements have primarily been criticized for bolstering IP protection,<sup>21</sup> they may also offer avenues for introducing flexibility into the copyright framework.

Indeed, an important variation on how the three-step test has been incorporated in FTA practice includes the adoption of a ‘Balance in Copyright and Related Rights System’ clause, which seems to provide a glimpse of hope towards a more flexible copyright space. The analysis of the legal value of this clause *vis-à-vis* the TRIPS Agreement, as well as in the broader context of international copyright law-making, merits more scholarly attention, primarily because it reflects the

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<sup>18</sup> s 110(5), Copyright Act (USA) (n 13).

<sup>19</sup> Christophe Geiger et al. (n 12).

<sup>20</sup> See Lionel Bently and Tanya Frances Aplin, *Global Mandatory Fair Use: The Nature and Scope of the Right to Quote Copyright Works* (C.U.P. 2020)

<sup>21</sup> For an example of a critical approach to the international political economy of FTAs on IP, see Susan K Sell, The Dynamics of International IP Policymaking, in Daniel Gervais et al. (eds) *Intellectual Property, Trade and Development* (U.N.C.T.A.D. 2014).

current practice of states, as mirrored in contemporary treaty-making. The next sub-section elaborates on the origins and current conceptualization of the clause on ‘Balance in Copyright and Related Rights Systems’ in selected FTA’s IP chapters.

## **II. FTAs’ CLAUSES ON BALANCE IN COPYRIGHT AND RELATED RIGHTS SYSTEM**

Clauses on the ‘Balance in Copyright and Related Rights Systems’ trace its origins to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (“CPTPP”), signed in 2018, in which it was provided that:

“Each Party shall endeavour to achieve an appropriate balance in its copyright and related rights system, among other things by means of limitations or exceptions that are consistent with Article 18.65 (Limitations and Exceptions), including those for the digital environment, giving due consideration to legitimate purposes such as, but not limited to: criticism; comment; news reporting; teaching, scholarship, research, and other similar purposes; and facilitating access to published works for persons who are blind, visually impaired or otherwise print disabled”.<sup>22</sup>

A footnote to the same article indicates that ‘For greater certainty, a use that has commercial aspects may in appropriate circumstances be

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<sup>22</sup> Comprehensive and Progressive Agreement for Trans-Pacific Partnership, art. 18.66 (CPTPP).

considered to have a legitimate purpose under Article 18.65 (Limitations and Exceptions).<sup>23</sup>

A similar clause has been included in the Regional Comprehensive Economic Partnership (RCEP) Agreement,<sup>24</sup> signed in 2020, which specifically mentions that “For greater certainty, a Party may adopt or maintain limitations or exceptions to the rights referred to in paragraph 1 (resembling the three-step test) for fair use, as long as any such limitation or exception is confined as stated in paragraph 1”.

Next to these megaregional FTAs, bilateral FTAs between the United Kingdom (“UK”)-Australia,<sup>25</sup> Peru-Australia,<sup>26</sup> and Hong Kong-Australia<sup>27</sup> also incorporate a clause on ‘Balance in Copyright and Related Rights Systems’. In all these cases, the legitimate purposes that may give rise or justify relevant limitations and exceptions to copyright include, but are not limited to, ‘criticism; comment; news reporting; teaching, research, and other similar purposes; and facilitating access to published works for persons who are blind, visually impaired or otherwise print disabled.’ In the case of the UK-Australia FTA, the relevant provision is complemented by a clarification stating that ‘For greater certainty, a use that has commercial aspects may in appropriate circumstances be considered to have a legitimate purpose under Article

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<sup>23</sup> CPTPP (n 22), footnote 79 to art. 18.66.

<sup>24</sup> Regional Comprehensive Economic Partnership, arts. 11.18 (3) and (4) (RCEP).

<sup>25</sup> UK-Australia FTA, art. 15.63.

<sup>26</sup> Peru-Australia FTA, art. 17.35.

<sup>27</sup> Hong Kong-Australia FTA, art. 14.14 (2).



15.62 (Limitations and Exceptions).<sup>28</sup> This clarification follows a similar line than the one provided in the CPTPP.

At the outset, there are two important commonalities across these set of clauses reviewed in the previous paragraphs. First, they are non-legally binding. That is, they do not require parties to an FTA to implement a certain limitation and exception in domestic law.<sup>29</sup> Rather, they only state that each party of the treaty at stake ‘shall endeavour’<sup>30</sup> to achieve appropriate balance in its copyright and related rights system by means of considering certain ‘legitimate purposes’. Second, those legitimate purposes stated in each one of these clauses clearly follow the US fair use purposes (i.e., criticism, comment, news reporting, teaching, scholarship, or research)<sup>31</sup> but they also provide that other similar purposes are possible as well as limitations to facilitate access to published works for people with disability—in reference to the

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<sup>28</sup> UK-Australia FTA, art. 15.63 (second para).

<sup>29</sup> The categorization between binding and non-binding international commitments is explained by Abbot and Snidal. The scholars note that binding commitments (or hard law) refers to legally binding obligations that are precise, whereas non-binding commitments (or soft law) are legal arrangements that are “weakened along one or more of the dimensions of obligation, precision, and delegation”. See Kenneth W Abbott and Duncan Snidal, ‘Hard and Soft Law in International Governance’ (2000) 54 M.I.T 421, 421 <<https://www.jstor.org/stable/pdf/2601340.pdf>> accessed 18 May 2022.

<sup>30</sup> “Shall endeavour” language in FTAs corresponds to soft law commitments (i.e., hortatory clauses or cooperation pledges). One could however argue that these clauses create nonetheless favourable conditions for certain actions to occur. The scholarly literature in the International Investment Arbitration (IIA) field has in particular advanced this argument. See Barnali Choudhury, ‘The Role of Soft Law Corporate Responsibilities in Defining Investor Obligations in International Investment Agreements’ in Jean Ho and Mavluda Sattorova (eds), *Investors’ International Law* (Hart Publishing 2021). For more about the incorporation of soft law in the design of international agreements, see Andrew T. Guzman, ‘The Design of International Agreements’ (2005) 16 Eur. J. Int. Law 579.

<sup>31</sup> U.S.C. 17 (n 4).

Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled.<sup>32</sup> Furthermore, in the case of RCEP, teaching and scholarship are replaced by ‘education’ which could potentially lead to a broader scope of application.

Another key aspect to note is that these clauses cannot be read in a vacuum. They have been incorporated right after a clause including the TRIPS three-step test in the treaty, which, by the use of the term ‘shall’ does constitute a legal obligation.<sup>33</sup> The only exception is the case of the HK-Australia FTA, where oddly the three-step test is not directly incorporated.<sup>34</sup> As such the treaties reviewed here leave unclear the status or the relationship between the three-step test (a binding legal obligation) and the respective clauses on balance (a soft-law clause).

Overall, albeit not legally binding and constituting only ‘soft law’ (in terms of public international law, not domestic law),<sup>35</sup> these provisions illustrate an interesting development in international copyright law because it is evident that they do not simply entail a paraphrasing of

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<sup>32</sup> Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled, June 27, 2013, VIP/DC/8 REV.

<sup>33</sup> *ibid* (n 30).

<sup>34</sup> Nevertheless, in art. 14.5 of the HK-Australia FTA the parties affirm their commitment to the TRIPS Agreement, which means that they affirm the commitment towards the three-step test.

<sup>35</sup> *ibid* (n 30). The issue of non-legally binding obligations or ‘soft law’ -as a complementary to ‘hard law’ rules in international law- has been studied by different scholars. See for instance A. E. Boyle, ‘Some Reflections on the Relationship of Treaties and Soft Law’ (1999) 48 *International and Comparative Law Quarterly* 901; Gregory Shaffer and Mark A Pollack, ‘Hard and Soft Law’ in Jeffrey L Dunoff and Mark A Pollack (eds), *Interdisciplinary Perspectives on International Law and International Relations* (1st edn, C.U.P. 2012)

the three-step test. For instance, one could question the compatibility of TRIPS three-step test with the open-ended purposes mentioned in the relevant clauses on Balance in Copyright and Related Rights System.

But beyond the interpretation of the relationship between FTA's provisions regarding the three-step *vis-à-vis* clauses on Balance in Copyright and Related Rights System within each FTA—which is a matter to be resolved by the dispute resolution body established for each of these treaties—a separate issue is what these clauses mean for international copyright law, and more specifically for the interpretation of the three-step test and the needs of AI. The next section explores this issue.

### **III. INTERPRETING THE TRIPS THREE-STEP TEST IN LIGHT OF FTAS' CLAUSES ON BALANCE IN COPYRIGHT AND RELATED RIGHTS SYSTEM**

There is a robust body of scholarly literature on the interpretation of the three-step test.<sup>36</sup> However, the only time that the test was interpreted by the WTO dispute settlement resolution was in *US—Section 110(5) Copyright Act*, more than 20 years ago.<sup>37</sup> Moreover, this is the only time that the test has been interpreted by an international

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<sup>36</sup> Among others, see Martin Senftleben, *Copyright, Limitations and the Three-Step Test. An Analysis of the Three-Step Test in International and EC Copyright Law* (K.L.I. 2004); 'Displacing the Dominance of the Three-Step Test: The Role of Global, Mandatory Fair Use' in Wee Loon Ng, Haochen Sun and Shyam Balganes (eds), *Comparative Aspects of Limitations and Exceptions in Copyright Law* (C.U.P. 2018); Christophe Geiger et al., 'Declaration on a Balance Interpretation of the Three-Step Test in Copyright Law' (2008) 39 I.I.C. 707.

<sup>37</sup> *ibid* (n 13).

tribunal. Taking into consideration the WTO panel decision as a baseline, this section explores whether the interpretation of the three-step test could be influenced by a renewed interpretation of TRIPS Article 13 considering FTA's practice.

### 1. CERTAIN SPECIAL CASES

The first step requires that a limitation or exception to copyright should apply to certain special cases. According to the definition provided in the Oxford English Dictionary, 'certain' means something '[d]efinite, fixed, sure.'<sup>38</sup> In turn, 'special' means something 'own, particular, individual.'<sup>39</sup> By placing these terms together, the dictionary meaning of this first step implies that a limitation or exception should be specific so as to avoid any ambiguity and apply to a particular case. This will require a limitation and exception to copyright to clearly spell out its scope of application. The WTO panel in *US—Section 110(5) Copyright Act* reached a similar conclusion, establishing that step one regarding 'certain special cases' means that a limitation should be clearly defined and be narrow scope and reach.<sup>40</sup> However, 'there is no need to identify explicitly each and every possible situation to which the exception could apply, provided that the scope of the exception is *known and particularised*. This guarantees a sufficient degree of legal certainty (emphasis added).'<sup>41</sup>

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<sup>38</sup> Certain adj. *Oxford English Dictionary* (Third Edition ed. 2022).

<sup>39</sup> Special adj. *Oxford English Dictionary* (Third Edition ed. 2022).

<sup>40</sup> *ibid* (n 13) para 6.113.

<sup>41</sup> *ibid*, para 6.108.

The language included in RCEP and the CPTPP denotes those limitations and exceptions can be formulated in general terms. The relevant provisions in these FTAs state that limitations and exceptions to copyright ‘*may include*’, or ‘*give due consideration to*’ legitimate purposes ‘not limited to: criticism; comment; news reporting; teaching, scholarship, research, and other similar purposes; and facilitating access to published works for persons who are blind, visually impaired or otherwise print disabled.’<sup>42</sup> In light of this wording, the mere fact that a limitation and exception is open-ended has not been considered by parties to these FTAs as failing to meet the first step. Moreover these ‘Balance clauses’ explicitly mention these limitations and exceptions should also be considered in the context of the digital environment, suggesting flexibility in applying copyright limitations and exceptions to technologies such as AI.

Furthermore, it can be argued that given the list of legitimate purposes included in clauses in Balance on Copyright and Related Rights systems, it is possible that these exceptions are ‘known and particularized.’ In addition, as in the case of the US fair use provision, the determination of whether a certain case falls under fair use can be determined by a set of factors (e.g., the purpose and character of the use, the nature of the copyrighted work, the amount and substantiality of the portion used in relation to the copyrighted work, and the effect of the use upon the potential market for or value of the copyrighted work). These factors are not included in the relevant clauses on Balance on Copyright and Related Rights systems referred to in this

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<sup>42</sup> CPTPP (n 22), art. 18.66 and RCEP (n 24), art. 18.18.

article, but they can be included in the relevant domestic Statute or may arise from judicial practice, giving certainty as to what are the ‘special cases’ that merit a limitation or exception to copyright.

## 2. NOT CONFLICTING WITH THE NORMAL EXPLOITATION OF THE WORK

The second step requires that a limitation or exception should not conflict with the normal exploitation of the work. Taking the panel decision in *US—Section 110(5) Copyright Act* as a baseline for comparison, ‘exploitation’ of works refers to ‘the activity by which copyright owners employ the exclusive rights conferred on them to extract economic value from their rights to those works.’<sup>43</sup> As per the clarification of the term ‘normal’, the WTO panel concluded that that each and every single opportunity in which a copyright holder is entitled to receive a remuneration would equate to a normal exploitation of the work. This includes current forms of exploitation, but also future ones.<sup>44</sup> The limit to this approach is set by the WTO panel itself, which considered that in order to sustain that an exception and limitation encroaches on copyright’s exclusive rights, the right holder must be deprived of significant or tangible commercial gains.

In case of the CPTPP and the UK-Australia FTA, a paragraph is added to the respective clause on Balance on Copyright and Related Rights System. That paragraph states that ‘For greater certainty, a use that has commercial aspects may in appropriate circumstances be considered to have a legitimate purpose under Article 18.65 (Limitations and

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<sup>43</sup> *ibid* (n 13) para 6.165.

<sup>44</sup> *ibid*, para 6.186.

Exceptions).’ This clarification is important as commerciality should not, by itself, be weighed against the legitimacy of an exception and limitation. The reader should notice that the analysis of the commerciality or not of certain use is an element that courts in fair use jurisdictions assess when determining the purpose and character of the use.<sup>45</sup> In such cases a use that is non-commercial is typically seen as favourable by courts while a commercial use tend to generate the opposite effect.<sup>46</sup> Hence, the clarification included in the CPTPP and the UK-Australia FTA is a welcomed one, and it constitutes a forward looking approach to copyright limitations and exceptions as it pertains the parties to these FTAs. This approach particularly contrast with the one adopted in EU in the context of copyright exceptions and limitations for TDM, which are limited to certain organizations and uses.<sup>47</sup>

Moreover, by using the word ‘balance’ in the respective clause on Balance on Copyright and Related Rights System, FTAs reiterate the wording of Article 7 of the TRIPS Agreement (Objectives), which states that the objective of the IP system is ‘The protection and

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<sup>45</sup> U.S.C. 17 (n 4).

<sup>46</sup> Pamela Samuelson, *An Empirical Analysis of Learning-Promoting Fair Use Case Law: Prepared by Samuelson Law, Technology & Public Policy Clinic*, 10 (2009), <[https://wiki.creativecommons.org/images/4/4b/Samuelson\\_fair\\_use\\_study\\_.pdf](https://wiki.creativecommons.org/images/4/4b/Samuelson_fair_use_study_.pdf)> accessed 27 May 2024.

<sup>47</sup> Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC (Text with EEA relevance), Articles 3 and 4. For a critical view of the EU approach, see P. Bernt Hugenholtz, ‘The New Copyright Directive: Text and Data Mining (Articles 3 and 4)’ (*Kluwer Copyright Blog*, 24 July 2019) <<http://copyrightblog.kluweriplaw.com/2019/07/24/the-new-copyright-directive-text-and-data-mining-articles-3-and-4/>> accessed 27 May 2024.

enforcement of intellectual property rights (which) should contribute (...) to a balance of rights and obligations'. According to the Oxford English Dictionary, 'balance' means "to weight (a matter), to estimate the two aspects or sides of anything; to ponder."<sup>48</sup> If this concept forms part of the normative environment of the three-step test, it modifies the conclusion reached by the Panel in *US—Section 110(5) Copyright Act*. The underlying reason is that a panel interpreting the phase 'normal exploitation of a work' would not only have to discuss the right of the copyright holder to exploit a work, but also it would have to consider the balance of rights and obligations between the economic exploitation of works and broader societal interests. In this context, the sole deprivation of commercial gains or whether the use enables commercial purposes will not immediately constitute a conflict with the 'normal exploitation of a work'.

3. DO NOT UNREASONABLY PREJUDICE THE LEGITIMATE INTEREST OF THE RIGHT HOLDER

Finally, the third step requires that the limitation or exceptions should not unreasonably prejudice the legitimate interest of the right holder. According to the WTO panel decision in *US—Section 110(5) Copyright Act*, this is a balancing exercise, which may involve an economic compensation.

The language regarding FTAs' clauses on Balance on Copyright and Related Rights System included in the CPTPP, RCEP and the relevant Australian FTAs gives context as to when a use can reasonably

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<sup>48</sup> Balance, *Oxford English Dictionary* (Third Edition ed. 2022).



prejudice the legitimate interest of the right holder. In all five cases, the relevant FTA clause refer to legitimate purposes which may justify the limitation and exception. These legitimate purposes are public policy reasons associated with fair use. Moreover, these public policy reasons may evolve, and other may be added to the non-exhaustive list, by virtue of the use of the words ‘such as, but not limited’ ‘which may include’ to denote the open-ended nature of the FTA clauses at issue.

#### **IV. OUTLOOK**

All in all, the clauses on Balance in Copyright and Related Rights System reviewed above offer a foundation for balancing copyright law and AI development, injecting breathing space to an otherwise narrow interpretation of ‘TRIPS’ three-step test. These Balance clauses contain desirable policy objectives that resemble elements of the fair use doctrine, which has been deemed more accommodating of AI innovation. In that sense, they reveal an interesting development in international copyright law—an apparent move towards a renewed understanding of flexibilities in international copyright.

Regarding the impact of Balance clauses on the interpretation of ‘TRIPS’ three-step test, one could answer that their biggest contribution is the non-enunciative list of legitimate purposes included, along with the clarification, that in some cases, the commerciality of certain use does not immediately enter into conflict with the normal exploitation of a work. However, those clauses do not touch upon the issue of economic compensation as a mechanism to offset the unreasonably prejudice the legitimate interest of the right holder.

Nonetheless, the biggest caveat as to the legal value of those provisions lie in their non-binding language (i.e., they are of soft law nature). This means that Parties to an FTA do not have the obligation to implement these clauses into their domestic legal systems. However, they seem to evidence that at least a set of countries has consciously considered FTAs as a possible forum to promote copyright flexibilities. Still, it is noteworthy that in most recent FTAs the Balance clause has remained absent, raising inquires as to whether there is enough interest in encouraging the legal diffusion of such clauses in other FTAs. The latter may regrettably indicate that there is a lack of global, agreeable, norms promoting a more flexible and balanced copyright environment.

As we move towards an increasingly data driven society, and as the deployment of AI accelerates, countries are increasingly pressed to rethink their domestic copyright frameworks, for instance by adopting TDM exceptions. Considering what role FTAs play in this regard is not only complementary to these efforts, but it will also be instrumental in facilitating coordination among different jurisdictions and avoiding further fragmentation. Flexibilities incorporated in FTAs, such as the ones reviewed in this Article, will be instrumental in rebalancing international IP protection, thus re-thinking the role and potential that FTAs can play in this endeavor.



# TRADITIONAL KNOWLEDGE AND INTELLECTUAL PROPERTY: A PATHWAY FOR NORTH EAST INDIA'S CULTURAL SURVIVAL

*Dr. Rumi Dhar & Mayong Tikhak\**

## *Abstract*

*Intellectual property laws provide protection and preservation for innovations, designs, literary works, artistic creations, performance art, plant varieties, symbols, and other forms of intellectual creations. However, these laws are inadequate in safeguarding traditional knowledge ("TK"). TK encompasses a wide range of information pertaining to medicines, agriculture, forests, aquatic life, plants, animals, spirituality, and landscapes. This knowledge plays a crucial role in preserving and sustaining a clean and resilient atmosphere and environment.*

*North East India is renowned for its rich cultural heritage, immense natural resources, and TK. In addition to being a biodiversity hotspot, this region is lucky to be inhabited by over 150 ethnic groups, each with a diverse set of ethical, cultural, and traditional values. Moreover, the indigenous tribes in this region possess exceptional expertise in using natural medicinal plants to effectively cure a wide range of ailments. Nevertheless, the frequency of biopiracy is increasing due to the insufficiency of Indian legislation in providing*

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\* Dr. Rumi Dhar (rumidharofficial@gmail.com) is an Assistant Professor in the Department of Law, Nagaland University Lumami. Mr. Mayong Tikhak (mayongnokjatikhah@gmail.com) is a research scholar in the Department of Law, Nagaland University Lumami.

*sufficient protection and preservation measures. In certain instances, legitimate communities may be ignorant that they are in possession of TK that is copyrighted by others. Moreover, as a result of the discontinuation of customs and traditions, the vast bulk of TK has disappeared.*

*North Eastern India possesses abundant TK resources that require preservation, protection, and promotion. This study will focus on the TK that exists in North Eastern India and explore how this information may be safeguarded within the framework of intellectual property laws.*

**Keywords:** Traditional Knowledge, Biopiracy, North East India.

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## INTRODUCTION

The significance of intellectual property rights is growing in contemporary culture. While TK does not have comprehensive protection, innovations, designs, literary works, artistic creations, performance art, plant varieties, symbols, and other similar forms of expression are all safeguarded and conserved. TK lacks a clear definition, unlike other types of intellectual property. It encompasses the information, skills, and medical practices deeply rooted in a community over an extended period. It is intricately linked to spiritual and cultural understanding. TK refers to a form of information that has been passed down through oral and informal ways from one generation to the next.

North East India is well recognized as a cultural sanctuary abundant in natural resources and traditional wisdom. This region serves as a central location for a wide range of biological variety, comprising about 150 distinct ethnic groups with a varied array of traditional, cultural, and moral convictions. We regard this material and TK as holy and confidential due to its creation in accordance with customary rules. In this area, the transmission of knowledge from one generation to another establishes responsibilities and advantages that govern its utilization, the allocation of advantages and earnings, and the settlement of disputes that arise from its implementation. The existing laws do not provide any protection for customary law, which regulates all aspects of this matter. Therefore, it is crucial that regulations regarding intellectual property systems include protections to safeguard TK.

The medical sector extensively utilizes TK in several domains, including healing, childbirth, orthopedics, and the use of medicinal plants and herbs. Additionally, it encompasses the longstanding practice of hunting and capturing untamed creatures, as well as the art of fishing and the requisite expertise. Traditional techniques for crafting and producing incense, fragrances, perfumes, and cosmetics, as well as the weaving and dyeing of clothing also find a place within its ambit. Furthermore, TK instructs on the production of specialized substances such as gum, resins, dyes, and paints and further encompasses traditional methods for preserving water bodies, and the larger environment.

The accumulation of knowledge over millennia has resulted in the emergence of novel ideas, advancements, and creations that are deeply intertwined with the cultural fabric of the community. Consequently, this group now possesses a platform to assert its exclusive ownership rights over the information. Nevertheless, there are situations in which individuals within the genuine community, who hold this specialized knowledge, are oblivious to the fact that their expertise is being replicated by an external entity. In essence, TK is a collective entitlement that historically safeguarded and promoted the welfare of the entire society, while patents serve to promote certain firms, enhance financial gains, and establish market monopolies. Both are necessary in the contemporary context.

### **TRADITIONAL KNOWLEDGE UNDER INDIAN LAW – NOTABLE LAG BEHIND THE INTERNATIONAL FRAMEWORK**

As compared to TK, which is believed to be possessed by societies other than those who are non-indigenous, indigenous knowledge is more precise since it is preserved, shared, and produced by acknowledged indigenous people. The United Nations Declaration on the Rights of Indigenous Peoples identifies and expresses the rights of community organisation tied to TK. Indigenous people have a right to the management, development, and conservation of their traditional cultural expressions, TK, and genetic resources, such as seeds, medicines, and information about the traits of certain plants and animals.<sup>1</sup>

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<sup>1</sup> United Nations Declaration on the Rights of Indigenous Peoples (entered into force on 2 October 2007) A/RES/61/295.

In accordance with the Convention on Biological Diversity, a party is required to respect indigenous and local communities' expertise, creativity, and norms that represent traditional ways of life relevant for the protection and long-term utilisation of biological diversity, taking into account national laws; and encourage their expanded use with the consent and involvement of the knowledge holders.<sup>2</sup> Particularly, Article 7 of the Nagoya Protocol makes the consent of indigenous and local to be verified before TK relating to any genetic resources owned by such communities may be accessed.<sup>3</sup>

Coming to the Indian legal framework, the following legal developments and statutes are relevant in our discussion:

*Patents Act 1970*<sup>4</sup>

One cannot assume that TK of a certain kind is not patentable just because it exists. It becomes difficult to demonstrate the originality, innovative step, and commercial viability of the idea for TK created or the person, whom patent should be awarded, i.e., determining who the right applicant is. A legal conundrum arises when it comes to TK that is not "publicly disclosed" since it is not widely understood within an indigenous people. TK is now registered in patent act for commercialisation and taken over by biopiracy. The lack of well-established laws makes TK vulnerable to misuse.

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<sup>2</sup> Convention on Biological Diversity (signed on 5 June 1992, entered into force on 29 December 1993) 1760 U.N.T.S. 79.

<sup>3</sup> Nagoya Protocol on Access and Benefit-sharing (entered into force on 12 October 2014) UNEP/CBD/COP/DEC/X/1.

<sup>4</sup> The Patents Act 1970 (India).



Thus, written or documented TK is deemed prior art, is patentable under patent laws, and cannot be prohibited or limited from being used for commercial purposes. The contents of TK found in ancient books and scriptures have been compiled into a collection called the TK Digital Library, which is organized based on patent categorization. This is being done to safeguard TK's interests and stop multinational corporations from obtaining patents on Indian communities' TK. There are various cases where the Indian TK was pirated by others. Two prominent cases have been:

- A. Neem Patent: The European Patent Office granted neem's patent application because of its shown anti-fungal properties. Presented before the EPO, a method that combined neem oil with fungus to limit the development of fungus was innovative and creative. India protested, citing ancient Ayurvedic writings to support their centuries-old usage of neem for its antibacterial and other therapeutic properties, such as its antidiabetic and antifungal properties. Consequently, the EPO declared the patent invalid for existence of prior art, and non-obviousness.<sup>5</sup>
- B. Turmeric Patent: India objected to the 1995 patent application from the University of Mississippi over its capacity to mend wounds. India proved that it was opposed by offering evidence in the shape of ancient literature written in many languages.

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<sup>5</sup> 'India wins landmark patent battle' (*BBC News*, 9 March 2005) <<http://news.bbc.co.uk/2/hi/science/nature/4333627.stm>> accessed 10 February 2024.

The USPTO finally decided that the invention was known and obvious, thus it was withdrawn.<sup>6</sup>

Section 3 of the Patents Act of 1970 (“Act”) relates to inventions in India, and covers TK within such ambit.<sup>7</sup> The following are conspicuous shortfalls of the statute that we wish to draw attention towards:

- The Act does not have clear or exhaustive definition of what constitutes TK. It has commonly been understood as the knowledge, traditions and innovation of indigenous people, although it is not defined in the present law in any specific manner.
- A patent challenge is allowed under the Act by “*any person*” who has an interest in a matter affecting the patent. However, it does not directly qualify holders of TK or indigenous people to challenge the process of patenting of their knowledge. This results into a lack of sufficient protection of TK since those who are directly affected do not have legal way of addressing the patent system that misuses or misappropriates their knowledge.
- What the Act does not include is a provision that rules out the patenting of new inventions that have been developed using TK. It only bars the patenting of TK *per se*, if it does not

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<sup>6</sup> Sanjay Kumar, ‘India Wins Battle With USA Over Turmeric Patent’ (*The Lancet*, 6 September 1997) <[https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(05\)63536-2/abstract](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(05)63536-2/abstract)> accessed 10 February 2024.

<sup>7</sup> *ibid*, s 3(p).

possess the prospect of inventiveness. In essence, this implies that if a person incorporates a novel addition to an existing invention through the use of TK, they may be granted a patent regardless of the TK that was resorted to, which actually belongs to an indigenous community. This may in turn open the flood gates for the use of TK without adequate protection and remunerations to the rightful owners.

- The Act is primarily defensive in its objective to safeguard TK; that is, to ensure that outsiders cannot claim TK as their invention and gain a patent for it unless there has been significant alteration or creation on the original TK. Nevertheless, it does not provide positive rights to the holders of TK.
- Under the Act, indigenous communities are not granted a collective right to challenge the patenting of new creations based on their TK.
- There is no provision for benefit-sharing if TK is used to create new products or innovations. It implies that some communities may have their knowledge exploited for commercial purposes without any returns or rewards resulting from such commercialization.

#### *Geographical Indications Act 1999*<sup>8</sup>

The Geographical Indications Act 1999 (“GI Act”) has no provisions pertaining to TK. GI is limited to the protection of an indicator; it is

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<sup>8</sup> The Geographical Indications of Goods (Registration and Protection) Act 1999 (India).

not a means of preserving the underlying body of TK. The implementation of particular safety measures may be necessary to ensure that TK holders are effectively protected.

Since protecting TK is not the main goal of the GI Act, its preservation may emerge only as a mere step in the larger process of securing other objectives of the GI Act. That being noted, the GI Act may prove to be a powerful weapon for defending TK-based commodities. Any group of TK holders in a given area who produce an item with a unique or distinctive quality that originates there and is based on local TK may register under the GI Act and become joint owners of the GI good.

#### *Indian Copyright Act 1957<sup>9</sup>*

It is generally understood that copyright law may be utilized to guard against unauthorized copying and exploitation of the artistic manifestations, such as folklore and other works of TK holders, particularly those artists who are members of indigenous and native populations. Stage plays, puppet shows, and other similar performances, as well as performances by folk singers and dancers, might all be protected by related copyright rights such as performing rights.<sup>10</sup> Notably, there are no provisions in the Indian Copyright Act 1957 to safeguard folklore or folkloric phrases.

#### *The Indian Trade Marks Act 1999<sup>11</sup>*

This legislation holds potential to positively impact indigenous and tribal dealers of traditional commodities and handicrafts on a

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<sup>9</sup> The Copyright Act 1957 (India).

<sup>10</sup> Carlos M Correa, *Traditional Knowledge and Intellectual Property: Issues and Options Surrounding the Protection of Traditional Knowledge* (Q.U.N.O. 2001).

<sup>11</sup> The Trade Marks Act 1999 (India).

commercial level. Chapter VIII on ‘Collective Marks’ contains rules that might be immediately applied to protect items and inventions based on TK. A collective mark is a trademark that sets apart the goods or services provided by members of an association of people who own the mark from those of other people. Thus, native people who produce similar traditional goods may collectivise as an organization and apply for collective marks under this statute.

*Biodiversity Act 2002*<sup>12</sup>

Prior to obtaining any intellectual property rights based on biological material and related information acquired from India, clearance from the National Biodiversity Authority is required. There are now 4,48,764 ISM formulations in the TK Digital Library database, comprising 1,27,533 in Ayurveda, 24,0850 in Unani, 70,158 in Siddha, 5445 in Sowa Rigpa, and 4,778 in Yoga methods. TK Digital Library evidence has led to the rejection, amendment, withdrawal, or abandonment of 283 patent applications, therefore safeguarding Indian TK.<sup>13</sup>

Although TK is focused on advancing community interests, patents are centred on individual monopolies, and on the ground of preserving the equilibrium of TK-invented patents, earnings must be shared for the same. The notion of benefit sharing was established in India by the Biodiversity Act 2002, with regard to products or processes that are

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<sup>12</sup> The Biodiversity Act 2002 (India).

<sup>13</sup> ‘Measures Taken to Protect the Ancient and Traditional Knowledge of the Country’ (*Press Information Bureau*, 17 March 2023) <<https://pib.gov.in/PressReleasePage.aspx?PRID=1908022>> accessed 10 February 2024.

developed for commercial purposes using TK. Notable here is the case of the *jeevani* drugs, which is produced from the same-named plant and is well-known for its benefits on energy augmentation. The *Kani* tribe uses this herb, which is grown on the Western Ghats, to get energy and lessen fatigue. The team of scientists conducting the ethnobotanical survey of the Kani tribes promised the tribe a cut in profits if the plant was made into a product and sold, which was honoured after the commercialisation of the *jeevani* despite a lack of patent protection secured.<sup>14</sup>

Even after the Biodiversity Act was passed, not much has been done to ensure that it is strictly enforced in order to safeguard the fundamental purposes for which it was created. Strict enforcement of the law is required, since this will aid in protecting TK, from which many components of traditional medicine are derived. In an invention protection system that is *sui generis*, such as Peruvian law, covers communal knowledge in article 2(b) of the Biodiversity Act.

Indigenous people's community rights are recognized in Panama based on their customary practices, techniques, processes, and procedures.<sup>15</sup> The Peruvian law on prior informed consent is among the best drafted. It mandates that holders of TK may only use it for commercial, scientific, or industrial reasons with the prior informed consent of

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<sup>14</sup> R. V. Anuradha, 'Sharing with the Kanis: A case study from Kerala, India' (2000) 3(2) J. Int'l Wildlife Law & Pol'y 125.

<sup>15</sup> Special System For The Collective Intellectual Property Rights Of Indigenous Peoples (26 June 2000) (Panama).

indigenous people.<sup>16</sup> Lawmakers can establish a legislative framework for the preservation of North East India's TK by borrowing on the legal frameworks of Peru and Panama.

## CASE STUDIES FROM NORTH EAST INDIA

### *Muga Silk in Assam*

In Assam, *muga* culture is a long-standing custom that incorporates an abundant amount of indigenous technical knowledge ("TTK") gleaned from the farmers' extensive lifetime experience.<sup>17</sup> The silkworm known as *Antheraea assamensis Helfer*, which is native to the state of Assam, produces *muga* silk. Since its *muga* silk yarn has a golden hue, Assam is known as the "land of golden silk".<sup>18</sup> *Muga* silk clothing is UV resistant, colour stable, comfortable to wear in both the summer and the winter. Silk threads are utilized in both regular clothing and medical sutures, whereas *muga* yarns are used in parachute ropes, bulletproof vests and airplane tires.<sup>19</sup> Consequently, *muga* silk has a high socioeconomic value as it makes a substantial to the economy of the country.

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<sup>16</sup> Law Introducing A Protection Regime For The Collective Knowledge Of Indigenous Peoples Derived From Biological Resources (24 July 2002) (Peru) (Peruvian Law).

<sup>17</sup> P. R. Narzary and S Manimegalai, 'Golden Threads of Tradition: The Endurance and Evolution of Muga Culture and Silk Weaving in Assam' (2023) 10(3) J. Surv. Fish. 63.

<sup>18</sup> B. Mahan, 'Silk Industry Among the Tai-Ahom of Assam, India as an Attraction of Tourist' (2012) 2(12) I.J.S.R.P. 1.

<sup>19</sup> R. Nath et al., 'Comparative Study on Tensile Properties of Different Colour Morphs and Wild Counterpart of Muga Silkworm (*Antheraea assamensis Helfer*) of North-Eastern India' (2013) 3 I.J.R.B.S. 141.

By looking at the importance of this TK, the geographical indication tag was awarded to *muga* silk in 2007.<sup>20</sup> By assuring better market pricing for genuine *muga* silk items, the GI classification has improved the economic possibilities for local producers and craftsmen while also aiding in the preservation of the cultural legacy.

#### *Traditional Rice Varieties in Manipur*

Manipur state has abundant of rice genetic resources and comprise medicinal, fragrant, colored, and glutinous varieties. *Chakbao*, a Manipuri name for scented rice, literally translates to “delicious rice” (*chak* being rice, and *ahaoba* being delicious).<sup>21</sup> These rice cultivators employ age-old farming methods that have been passed down through the generations. *Chakbao* is eaten as dessert or in a sweetened version rather than as the primary course or a regular diet.<sup>22</sup> Due to its nutritional values, cultural importance linked with TK, in 2020, the *Chakbao* rice variety was awarded GI status, guaranteeing its continued cultivation within the community and preventing it from being patented by outside parties.<sup>23</sup>

#### *Apatani Tribe’s Traditional Agricultural Practices in Arunachal Pradesh*

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<sup>20</sup> ‘Details of GI (Geographical Indications) registered Handloom Products under GI ACT, 1999’ (*Development Commissioner of Handlooms*, 10 June 2024) <[https://handlooms.nic.in/assets/img/information\\_handlooms/Details%20of%20103%20GI%20registered%20Handloom%20Products%20under%20GI%20ACT,%201999%20\(as%20on%2015.03.2023%20\(1\).pdf](https://handlooms.nic.in/assets/img/information_handlooms/Details%20of%20103%20GI%20registered%20Handloom%20Products%20under%20GI%20ACT,%201999%20(as%20on%2015.03.2023%20(1).pdf)> accessed 15 August 2024.

<sup>21</sup> S. Roy et al., ‘Plant Genetic Resources: Characterization and Utilization’ (2014) 12(3) *Plant Genet. Res.* 264.

<sup>22</sup> S. Shijagurumayum and G. A. Shantibala Devi, ‘Chakhao: Scented Traditional Rice of Manipur (India)’ (2021) 12(1) *I.J.T.K.* 1.

<sup>23</sup> See ‘Application details – Chakhao’ (*Geographic Indications Registry*) last accessed on at <<https://search.ipindia.gov.in/GIRPublic/Application/Details/602>>.



The *Apatanis* tribe of Arunachal Pradesh practices a very unique farming by adding aquaculture along with rice farming. In the valley, two harvests of rice (*mipya* and *emoh*) and one crop of fish (*ngibi*) are cultivated together in a unique method,<sup>24</sup> which is an integral part of their TK and cultural heritage.

However, the *Apatani* paddy-fish culture is unique to the *Apatani* agro-ecosystem and is solely an organic farming method. Because of its long-standing customs, which serve as the cornerstone of eco-preservation efforts, in 2014, UNESCO recommended Ziro Valley for inclusion on the World Heritage List.<sup>25</sup>

#### *Traditional Medicinal Knowledge in Nagaland*

The *Naga* tribe has been using medicinal herbs to cure a variety of diseases for ages. Their TK of these plants has been passed on orally or by practitioners of traditional medicine over several generations.<sup>26</sup> However, a large portion of this ethno-medical knowledge is in danger of disappearing since there are not enough written records. Documentation through community-led projects and partnerships with academic institutions are two ways that this knowledge is being protected. In order to avert biopiracy, several medicinal plants that the *Naga* tribes employ have also been identified for patent protection. But

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<sup>24</sup> S. M. Hussain et al., 'Integrated Rice Fish Farming System in Arunachal Pradesh: An Overview' (2018) 31(1) I.J.H.F. 52.

<sup>25</sup> 'Arunachal Pradesh: The Apatani Cultural Landscape' (*World Heritage Site*) <<https://www.worldheritagesite.org/tentative/id/5893>> accessed 20 March 2024.

<sup>26</sup> R. R. Rao and N. S. Jamir, 'Ethnobotanical Studies in Nagaland' (1982) 36(2) *Econ. Bot.* 176.

so far, no patent has been filed for the TK in the field of medicinal herbs.

### *Sualkuchi Silk Weaving in Assam*

Sualkuchi, a town in Assam, is well known for its historic silk weaving business, especially for producing *muga* and *pat* silk sarees. The Sualkuchi weavers have a rich cultural legacy that includes the art of silk weaving.<sup>27</sup> The Sualkuchi weavers' traditional expertise and abilities have been safeguarded via industry promotion and measures to stop the Sualkuchi branding from being misused. Sualkuchi silk goods are not officially recognised as GIs, but community and government initiatives have been made to recognize and safeguard them.

So far, we have discussed only the highlighted five cases. On ground, TK is vastly practiced in North East India and remains unexplored. From big community knowledge to small sector practices, there are various assets in the form of TK. Only little knowledge is protected by intellectual property laws, some are continued as an undocumented form of practice in community and some are at the verge of vanishing. As time passes with no active effort taken to recognize the value of TK, it will be difficult to preserve such knowledge in today's rapidly developing world.

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<sup>27</sup> Ravi Mokashi and Menuolhoulie Kire, *Silk Weaving Tradition of Sualkuchi, Assam: The Art of Weaving (D'source Digital Learning Environment for Design)* <<http://www.dsourc.in/resource/silk-weaving-tradition-sualkuchi-assam>> accessed 20 March 2024.

## IMPACT OF GLOBALIZATION ON TRADITIONAL KNOWLEDGE IN NORTH EAST INDIA

Globalization has both positive and negative impact on the TK in North East India. Positive effects include the dissemination of North Eastern culture over the world and assimilation of the traditional lifestyles of developed nations, preservation of cultural legacy and associated economic benefits, and more. The North East now has the opportunity to familiarize itself with the modern lifestyles of highly developed nations throughout the world due to the trend of globalization. Therefore, via the interchange of culture, tradition, beliefs, and practices, this is a process of acceptance, discovery, and integration.<sup>28</sup>

The negative impact of globalization on these TK systems can be analyzed from various perspectives:

### *Cultural Erosion*

Globalization promotes homogenization of culture which disseminates the old cultural norms and practices. This will affect the continuity of TK,<sup>29</sup> ultimately young generation will lose the interest in traditional practices owing over modern lifestyle.<sup>30</sup> For example,

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<sup>28</sup> Mridusmita Gharphalia, 'Impact of Globalization on the Society and Culture of NE India' (2018) 5(1) *I.J.R.A.R.* 1.

<sup>29</sup> 'Documenting Traditional Knowledge' (*Economic Advisory Council to the Prime Minister*, 14 December 2022) <<https://eacpm.gov.in/wp-content/uploads/2022/12/Documenting-Traditional-Knowledge-2.pdf>> accessed 25 March 2024.

<sup>30</sup> Kaberi Sin, '*Indigenous Knowledge in Education in North-East India*' (Göteborg University, 2021) <<https://gupea.ub.gu.se/bitstream/handle/2077/78396/ESD%2BKaberi%2BMasterThesis%2B->

folklores of various tribes of North East India are being discontinued or forgotten. At the time of rituals or traditional celebration, folklore experts are hired, which is indicative of the microscopic minority that remains versed in folklore.

### *Commercialization of Traditional Knowledge*

TK may become commercialized as a result of globalization, with parts of indigenous cultures being marketed around the world without providing fair pay or acknowledgement to the originating communities. Even though this can have financial advantages, it might also lead to the exploitation of TK without an equitable profit-sharing arrangement.<sup>31</sup>

### *Environmental Degradation and Threats to Biodiversity*

Environmental changes brought about by industrialization, deforestation, and overuse of natural resources is frequently associated with globalization. The biodiversity, which is essential to North East India's TK systems, may be threatened by these changes.<sup>32</sup>

## **CHALLENGES IN DOCUMENTING TRADITIONAL KNOWLEDGE**

Documenting TK, particularly in the geographical region of North East India, has distinct difficulties that encompass cultural, linguistic,

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[Indigenous Knowledge and Education in North-East India-Final.pdf?sequence=1&isAllowed=y](#) accessed 25 March 2024.

<sup>31</sup> S. Bhattacharyya, 'Community and Environmental Protection: In Search of the Lost Spring of Happiness of the North-Eastern Region' (2021) 91 *A.I.J.A.C.L.A.* 91.

<sup>32</sup> V. Shiva, 'Recovering Biodiversity' (2001) 31(1/2) *Soc. Change* 21.

technological, and ethical aspects. Here is an analysis of these difficulties:

### *Oral Tradition*

In North East India, TK is predominantly conveyed by oral methods wherein stories, rituals, medical techniques, and other cultural insights are carried throughout generations via spoken communication. This oral transmission implies that the knowledge is dynamic, with every storyteller or practitioner having the possibility to make modifications to the facts. Over a period of time, this can result in substantial alterations or even the eradication of certain elements of knowledge. Moreover, as the number of proficient speakers of indigenous languages continues to decline and traditional cultural practices are eroded, there is a significant risk of losing a major quantity of this valuable knowledge. The task of documenting oral traditions in written or recorded form involves the simultaneous difficulties of faithfully representing the original material and safeguarding against any modifications that may affect its value or context.

### *Language Barriers*

Northeastern India has a vast array of linguistic variety, encompassing several languages and dialects that are spoken throughout the area. The absence of a written script in many of these languages adds complexity to the documentation process. Translators and scholars frequently encounter challenges when attempting to precisely capture the subtleties and idiomatic phrases that are distinct to each language. Following independence, all the North Eastern territories became part

of Assam, where the Assamese language gained significant popularity throughout the entire area. Additionally, several TK systems were documented in Assamese. However, the act of converting verbal information into languages that are more commonly spoken (such as Hindi or English) might result in the erosion of cultural and contextual significance. The absence of a universally accepted writing system for many of these languages intensifies the difficulty, making it challenging to establish uniform and dependable documentation.

### *Cultural Sensitivity*

The indigenous groups in North Eastern India have a strong connection between their cultural and spiritual identities and TK. This knowledge is frequently regarded as holy, with particular behaviors, ceremonies, or information being limited to selected members of the group. Unintentionally, efforts to document information from outside sources may breach cultural norms or holy traditions, resulting in a lack of confidence or opposition from the community. Moreover, the exploitation or unauthorized use of indigenous knowledge by external parties can result in the gradual disappearance of cultural customs and principles, exacerbating the marginalization of these populations. Achieving a balance between the preservation of TK and the respect for cultural boundaries necessitates a subtle and delicate approach.

### *Technical Limitations*

The remote and sometimes inaccessible areas of several indigenous tribes in North Eastern India give notable technological obstacles. The lack of sufficient electricity, internet connectivity, and modern

recording equipment poses a hindrance to the process of digitally documenting and preserving TK. In addition, the lack of skill or experience with technological tools among community members might hinder the proper collection of information, even if the technology is accessible. The insufficiency of suitable infrastructure for data storage and administration poses difficulties in safeguarding documented knowledge for future generations. It is crucial to carefully assess the suitability and accessibility of the technology utilized in the documentation process for the communities.

#### *Intellectual Property Issues*

In North Eastern India, TK is commonly retained communally, without any individual asserting exclusive possession. The collective character of knowledge presents difficulties regarding the protection of intellectual property rights. The current intellectual property regimes, which are mostly focused for individual ownership, fail to sufficiently safeguard the collective rights of indigenous groups. This disparity can result in the exploitation of indigenous knowledge by external individuals, who may obtain patents on traditional methods or resources without offering equitable recompense or acknowledgement to the community. Creating legal frameworks that acknowledge and safeguard the collective ownership of TK is a multifaceted and continuous endeavour.

#### *Intergenerational Transmission*

TK is commonly passed down from older individuals to younger generations through the act of practicing, observing, and verbally

instructing. Nevertheless, due to the rising urbanization, migration, and the impact of modern education and technology, younger generations are slowly losing touch with traditional lifestyles. The existence of a generational gap poses a risk to the preservation of TK, since younger individuals may not perceive the significance of old customs in modern society. In addition, the loss of older individuals who serve as the main guardians of such knowledge might lead to the irreversible disappearance of vital cultural and ecological knowledge. In order to bridge this gap, it is imperative to involve younger members of the community in the preservation process when documenting TK.

#### *Ethical Concerns*

Ensuring ethical concerns are of utmost importance while documenting TK. Researchers and organizations engaged in this Endeavour are required to get the agreement of the community, which should be given freely, prior to any recording or dissemination of their expertise. Nevertheless, there are obstacles in guaranteeing that communities possess a complete understanding of the possible consequences of recording and disseminating their knowledge, especially in situations where there is a possibility of exploitation or unauthorized use. An important challenge is the ethical use of documented knowledge, encompassing its sharing, accessibility, and the equitable distribution of benefits. Failure to address these ethical concerns might result in communities losing trust and being reluctant to engage in documentation efforts.



### *Complexity and Context*

Traditional knowledge is frequently complex and contingent on specific circumstances, with its interpretation and use fluctuating based on local customs, environmental factors, and historical backgrounds. For instance, a medicinal plant might possess diverse applications or importance among several societies, contingent upon their distinct ecological and cultural circumstances. Documenting this knowledge in a manner that precisely captures its intricacy and background is difficult, since it necessitates an in-depth knowledge of the indigenous culture and environment. When TK is simplified or generalized for documentation purposes, it can lose its depth and become less valuable to the communities that possess it.

### *Political and Legal Challenges*

The documenting of TK in North Eastern India is further complicated by the intricate political situation, which is marked by a history of autonomy movements, ethnic conflicts, and complex legal systems. Political sensitivities might sometimes hinder the documentation or public sharing of specific elements of TK. The absence of well-defined norms and regulations regarding the safeguarding and use of TK gives rise to legal complications. Although international accords such as the Nagoya Protocol establish guidelines for accessing and sharing benefits, their enforcement at the national and local levels can be uneven, which puts TK at risk of being exploited.

### *Resource Constraints*

Documenting TK requires substantial financial, human, and material resources. Nevertheless, the preservation of TK in North East India faces obstacles such as insufficient finance, a scarcity of competent workers, and inadequate infrastructure. Resource limitations can result in insufficient or unsustainable documentation initiatives, where only a portion of the knowledge is documented, and the data is not adequately maintained or updated. Moreover, the dependence on foreign finance or expertise can occasionally lead to initiatives that do not completely correspond with the requirements or goals of the local community. It is crucial to provide sufficient resources and include the community in order to ensure the long-term effectiveness of documentation initiatives.

To solve these issues, it is necessary to adopt a cooperative strategy that includes local communities, linguists, anthropologists, legal experts, and legislators. This strategy will ensure the preservation of TK while upholding principles of respect and integrity.

### **COMPARISON WITH OTHER INDIGENOUS KNOWLEDGE SYSTEMS**

The North East possesses a wealth of TK, particularly in the areas of medicinal plants, handicrafts, and agricultural techniques. Nevertheless, the safeguarding of this knowledge is now in its early phases, characterized by a scarcity of legal structures and a lack of awareness among local populations. The absence of a comprehensive and strong legislative structure, along with the intricate nature of the socio-political environment in the area, presents challenges in

successfully implementing and enforcing intellectual property rights safeguards. Trust difficulties exist between indigenous groups and foreign entities, and there are concerned over the possible commercialization of sacred knowledge.

In this section we draw comparisons to different regions where TK is valued and protected. These serve as inspirations for North East Indian TK.

*Australia (Aboriginal Communities)*

Australia possesses a substantial legacy of aboriginal knowledge, notably in domains such as land stewardship, artistic expression, and medicinal practices. Efforts have been undertaken by the government and numerous organizations to safeguard this knowledge through legal and cultural frameworks.<sup>33</sup>

Australia has entered into a pact to utilize the genetic resources of indigenous peoples, together with their accompanying TK, such as medicinal plants and agricultural products, under patent systems. The Treaty on Intellectual Property, Genetic Resources and Associated Traditional Knowledge was ratified by the members of the World Intellectual Property Organization (WIPO) in Geneva, Switzerland.<sup>34</sup>

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<sup>33</sup> 'Indigenous Knowledge' (IP *Australia*) <[https://www.ipaustralia.gov.au/understanding-ip/indigenous-knowledge#:~:text=Understanding%20intellectual%20property%20\(IP\)&text=We%20administer%20IP%20rights%20and,are%20acknowledged%20and%20used%20appropriately](https://www.ipaustralia.gov.au/understanding-ip/indigenous-knowledge#:~:text=Understanding%20intellectual%20property%20(IP)&text=We%20administer%20IP%20rights%20and,are%20acknowledged%20and%20used%20appropriately)> accessed 24 March 2024.

<sup>34</sup> 'Historic Global Agreement Recognising First Nations Cultural Knowledge' (*Australian Government, Department of Foreign Affairs and Trade*) <<https://www.foreignminister.gov.au/minister/penny-wong/media-release/historic-global-agreement-recognising-first-nations-cultural-knowledge#:~:text=The%20treaty%20enables%20Australian%20First,peoples>>

This empowers Australian First Nations peoples to capitalize on their cultural legacy, showcase their distinctive and varied export products, and represents a significant stride towards enhanced safeguarding of Aboriginal and Torres Strait Islander peoples' TK in Australia. Additionally, Australia has also promulgated the Indigenous Art Code which guarantees the authenticity and just compensation of aboriginal art.<sup>35</sup>

Australia's legal systems are more sophisticated and culturally conscious than those in North Eastern India. Nonetheless, both areas struggle to strike a balance between TK's commercialization and protection.

#### *New Zealand (Maori Knowledge)*

Customary knowledge or *mātauranga Maori* is a significant subject in New Zealand. This corpus of knowledge, known as *mātauranga*, has its roots in cosmogony and is ingrained in *Maori* ancestry and the interdependence of all living things.<sup>36</sup> Particularly in fields like language, art, and traditional medicine, the *Maori* have an abundance of TK that has been meticulously kept and documented. The national identity of New Zealand is intricately woven with this knowledge.<sup>37</sup>

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'%20traditional%20knowledge%20within%20Australia' accessed 24 March 2024.

<sup>35</sup> 'Indigenous Art Code' (*Indigenous Art Code*) <<https://indigenousartcode.org/>> accessed 25 March 2024

<sup>36</sup> 'Traditional Knowledge: Generation, Transmission, and Protection' (*Beehive*) <<https://www.beehive.govt.nz/speech/traditional-knowledge-generation-transmission-and-protection>> accessed 25 March 2024.

<sup>37</sup> .Māori IP' (*Intellectual Property Office of New Zealand*) <<https://www.iponz.govt.nz/get-ip/maori-ip/#:~:text=Intellectual%20property%20rights%20help%20ensure,the%20pr>

Policies that safeguard *Maori* TK and intellectual property have been developed as a result of the historic Wai 262 court claim.<sup>38</sup> The Treaty of Waitangi, which establishes a framework for defending *Maori* rights, including TK, is acknowledged by New Zealand. The legal safeguards granted to *Maori* TK in New Zealand, as a result of the Treaty of Waitangi, are more developed than those in North East India. Compared to the North East, *Maori* knowledge is better protected since TK is explicitly recognized and protected by the national legal system.

*Peru (Andean and Amazonian Indigenous Communities)*

Peruvian people have a wealth of knowledge about biodiversity, especially when it comes to medicinal plants. The creation of medications and herbal products depends on this knowledge. The Law on the Protection of Collective Knowledge of Indigenous Peoples guarantees that any use of indigenous knowledge must first get the communities' permission and agreements about benefit-sharing.<sup>39</sup> A national register of indigenous knowledge is also established under the statute.<sup>40</sup>

Compared to North East India, Peru has a legislative system that is more specialized and designed to safeguard TK. In order to effectively

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rotection%20of%20m%C4%81auranga%20M%C4%81ori> accessed 25 March 2024.

<sup>38</sup> 'Ko Aotearoa Tēnei: Report on the Wai 262 Claim Released' (*Waitangi Tribunal*, 2 July 2011) <<https://waitangitribunal.govt.nz/news/ko-aotearoa-tenei-report-on-the-wai-262-claim-released/>> accessed 25 March 2025.

<sup>39</sup> Peruvian Law (n 16).

<sup>40</sup> Susanna E. Clark et al., 'The Protection of Traditional Knowledge in Peru: A Comparative Perspective' (2004) 3(3) Wash. U. Global Stud. L. Rev. 1.

defend the rights of indigenous populations, Peru's emphasis on benefit-sharing and prior informed permission establishes a precedent that might be applied to the Indian context.

## **ROLE OF TECHNOLOGY IN PRESERVING TRADITIONAL KNOWLEDGE**

Technology is extremely important for the promotion, documentation, and preservation of TK. Here, we discuss some ways in which technology may be put to task.

### *Digital Documentation and Archiving*

In an effort to stop exploitation and safeguard Indian TK at patent offices across the world, the Council of Scientific and Industrial Research (CSIR) and the Ministry of Ayurveda, Yoga & Naturopathy, Unani, Siddha, Sowa Rigpa, and Homoeopathy (AYUSH) have collaborated to launch the ground-breaking TK Digital Library.<sup>41</sup> This initiative has achieved milestones in protecting TK digitally. However, there have been reported instances of substantial and procedural drawbacks.<sup>42</sup> In order to make knowledge more accessible, advanced metadata systems should be made, to help categorize and index TK in a way that makes it easily accessible for research, education, and community use.

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<sup>41</sup> 'Traditional Knowledge Digital Library (TKDL)' (*Council of Scientific and Industrial Research*)  
<[https://www.csir.res.in/documents/tkdl#:~:text=TKDL%20Outcomes%20against%20Bio%2DPiracy,Indian%20traditional%20knowledge%20\(TK\)](https://www.csir.res.in/documents/tkdl#:~:text=TKDL%20Outcomes%20against%20Bio%2DPiracy,Indian%20traditional%20knowledge%20(TK)>)>  
accessed 25 March 2024.

<sup>42</sup> Ananye Krishna, 'Is Traditional Knowledge Digital Library a Success?' (2019) 24 *J.I.P.R.* 132.

### *E-Learning and Knowledge Sharing Platforms*

E-learning platforms may provide workshops and courses that instruct coming generations in TK, skills, and crafts, both locally and globally. Both virtual reality (VR) and augmented reality (AR) have the potential to produce immersive experiences that let users interact with customs and settings in a virtual setting, assisting in the preservation of TK's cultural context.

### *Protection through Blockchain and Cryptography*

Communities may maintain autonomy over their knowledge and make sure it cannot be exploited without authorization by using block chain technology to build tamper-proof records of TK. When TK is utilized commercially, smart contracts may be implemented using blockchain technology to automatically enforce benefit-sharing agreements, guaranteeing that indigenous groups are fairly compensated.

### *Promotion and Awareness*

Utilizing social media channels, one can promote awareness of the value of TK and the necessity of its preservation. Researchers, non-governmental organizations, and indigenous people may work together more easily through digital platforms, exchanging information, resources, and tactics for the preservation of TK.

### *Social Media and Communication Tools*

Social media platforms have the potential to be effective instruments for increasing awareness and involving larger audiences in the conservation of TK. Indigenous communities may utilize these

platforms to disseminate stories, practices, and ancestral knowledge to a worldwide audience, cultivating a feeling of self-esteem and motivating younger cohorts to re-establish linkages with their cultural legacy. In addition, social media may enable contact among communities, scholars, and policymakers, allowing for the exchange of ideas and initiatives to preserve TK.

#### *Geographic Information System (GIS)*

GIS technology is crucial for documenting and safeguarding TK pertaining to the environment, agriculture, and biodiversity. GIS can visually represent the relationship between indigenous populations and their natural environment by mapping the geographical distribution of traditional behaviors, knowledge, and resources. This data is essential for conservation initiatives, sustainable utilization of resources, and safeguarding sacred locations, as well as for understanding the diversity of TK across various landscapes.

#### *Collaborative Platforms*

Collaborative digital platforms facilitate the integration of diverse stakeholders, such as indigenous people, scholars, government agencies, and NGOs, in order to collectively engage in the preservation of TK. These platforms facilitate immediate cooperation on documentation projects, permit the discussion of optimal methods, and promote the joint construction of solutions that respect and include indigenous perspectives. These platforms can help eliminate the divide between TK holders and modern scientific communities by enabling open communication and cooperation.



*Sustainability and Adaptation*

Technology can be important in the process of adapting TK for modern applications while also maintaining its long-term viability. By integrating modern agricultural methodologies with conventional farming expertise, it is possible to enhance both food security and sustainability in the area. Likewise, the integration of modern scientific research may augment traditional medical knowledge, leading to the creation of novel therapies and the verification of the effectiveness of traditional treatments. By combining TK with technical advancements, communities may guarantee the continued relevance and advantages of their history in the modern world.

The (potential) role of technology in maintaining TK in North East India is multifaceted. It encompasses activities such as documenting and safeguarding the knowledge, as well as educating, promoting, and facilitating its sustainable adaption. These technologies not only protect TK but also enable communities to retain authority over their cultural legacy in a continuously evolving environment. However, it presents a Janus head situation which cannot be ignored or undermined. While technology may assist improving, sharing and exploring the knowledge worldwide, it may simultaneously pose threats to data privacy. Therefore, when it comes to the data gathered on their TK, communities ought to be the ones in charge and have explicit agreements on its intended use.

## **RECOMMENDATIONS**

In order to adequately safeguard and preserve the valuable TK of North Eastern India, it is imperative to enact a wide array of policies that encompass legal, educational, and environmental dimensions. Herein, we present a set of recommendations that may be viewed as a baseline for further policy development going ahead.

- Creation of a robust legal framework that expressly safeguards TK, at both state and central levels. Strides have been taken in this regard already, and must be seen as inspirations to further steps in the future aimed at building a robust protective system. Notable instances include the Geographical Indications of Goods (Registration and Protection) Act, 1999 preserving TK, the Council for Scientific and Industrial Research (Government of India) building the TK Digital Library.
- Empowerment of local communities to help such communities understand their rights stemming from their TK. Regular conduction of education and awareness programmes aimed at the same could be instrumental to such empowerment over time.
- Incorporation of TK to promote respect and understanding for indigenous knowledge systems in formal education curriculum at the university and school levels throughout India.
- Preservation of traditional practices and protection of biodiversity through targeted strategies and policy programmes that aim to promote the sustainable use of the natural resources connected with TK.

- Creation of better safeguards for TK at the national and international levels, in line with international agreements like the Nagoya Protocol on Access and Benefit-Sharing.
- Encouragement for participation from North East India in international discussions on TK and that the distinct viewpoints of the area are incorporated into international agreements and policies.

## CONCLUSION

Biopiracy of North East Indian TK is a threat to society. Such piracy is conducted not only outside the nation but within it as well. Only robust legal frameworks, pragmatic security measures, and methods of preserving our limitless supply of TK may prove to be effective counters. The passage of a *sui generis* TK law in India, inspired by the Peruvian framework is desirable. Simultaneously, concurrent action by all state governments is necessary to guarantee the preservation and long-term utilization of TK.

The North East requires dedicated focus due to its peculiarity in terms of its unique ethnicity, geographical location and socio-economic conditions. Locals should be encouraged to record their invaluable TK in legally authorized registers to avoid unlawful usage. Notably, while the abuse of TK by a foreign entity is met with stern government resistance, the same is not the case for offences carried out by Indian entities. In any case, this is a lose-lose for TK holders from the North East.

TK is a complex and multidimensional issue. Intellectual property frameworks may only provide negative rights to TK holders.

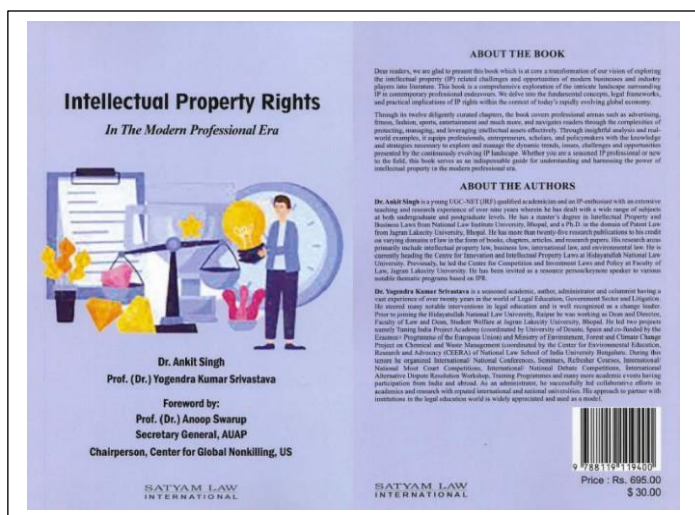
Consequently, it is unable to offer complete defense against all of the problems that TK faces. The existing legislation must be harmonized and supplemented by the proposed *sui generis* TK law. Above all, the law should provide knowledge bearers ownership rights, allowing them to set prices and restrict who may access their knowledge.



# BOOK REVIEW: INTELLECTUAL PROPERTY RIGHTS IN THE MODERN PROFESSIONAL ERA

Biju K Nair\*

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Intellectual property rights (“IPR”) hold guard to creativity, innovation and entrepreneurship and foster a holistic space for people to indulge in being new and unique. The book is a comprehensive guide, essential for legal professionals and students interested in broadening their understanding of intellectual property (“IP”).

Authored by subject experts, this volume employs theoretical frameworks, research, and practical applications to truly unpack the potentials of IP laws.

\* Biju K Nair, Founding Partner – LegalTech <[bijuailian@gmail.com](mailto:bijuailian@gmail.com)>.

This book follows a constructive approach where the authors explore various industries followed by establishing what qualifies as IP. The book then moves on to studying the courts' interpretations of real-world cases to talk about industry-specific best practices. The author's interpretation of the application of IPR across sector-specific industries is particularly insightful.

The book is brilliantly crafted and each chapter takes a structured approach to IP. It employs real-world case studies to take the readers away from jargon and unpack the scope and implications of Intellectual property rights. It lays down a sturdy base for the readers to demystify the general aversion to IPR while also enabling the readers to go beyond and explore the simplified interpretations across jurisdictions. The writing style refrains from taking away from the subject matter, which helps the reader focus on the relevant topics while retaining the depth.

The 12 chapters rake all industries with any potential IP assets. Ranging from advertising to fashion, to stand-up comedy, pharmaceutical industry, software, video games and even fitness. Hence, covering all and what could be of IPR. This comprehensive and broad sweep into the industries bridged the gap between law and the applicable work. For instance, the chapter on fashion “unveils the complex web of design patents, trademarks, and trade dress protection, shaping the contours of style and identity”. This is how the authors pick out the relevant industry- specific cases and bring them to the reader while also simplifying them to garner a holistic understanding of the practical side of things. Each chapter-wise comprehensive analysis offers

readers a grasp of essential measures required to effectively secure, protect and capitalise their intellectual property assets. The evolution of technology, cultures, and societies makes space for new avenues to create and innovate. This space also fosters evolution in the Intellectual Property laws. The book takes hold of these emerging gaps and talks about the ways in which the existing laws can be applied in ways that were never thought of before. The chapter on social media influencers, for instance, addresses critical questions about ownership, licensing, and authenticity while also giving a detailed list of preventative measures and legal steps one could take to protect their rights. The same approach could also be found in the other creator-specific chapters like “IPR for DJs” and “IPR and the Software Industry”.

Along with legal and idiosyncratic aspects of the industries, they provide a view on the ethical considerations as well to establish that creativity and law go beyond the textbook. They also highlight the importance of balancing innovation, access to knowledge, and fair competition. The authors' exploration of IP in the context of stand-up comedy, for example, highlights how “the transformative potential of IPR can empower individuals, promote cultural diversity, and incentivize innovation in relatively uncharted arenas”. Here, the authors argue that the legal outputs are not churning out of a lifeless machine, but rather, are a sophisticated concoction of the ethical and moral sensibilities of the people in context.

The book's layout allows easy referencing and navigation, and the prose is intelligible yet academic. The dissection within allows for the compartmentalisation of pertinent information which facilitates



learning. The text is charged with the author's passion and their unique experiences in the field of IPR. This book commands the interest and attention of the readers while retaining the gravity of the IPR law, and hence, is a valuable contribution to the field of IPR. From helping you protect your legal creations, to simple intrigue towards the IP law. This book is a must-have for students, legal experts and creative individuals.



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