
India - Technological Clearance and 'Freedom to Operate' in India

India is the second fastest growing economy in the world, after China, with many opportunities for investors – and many pitfalls. Launching a new technology without conducting a Freedom to Operate (FTO) investigation, may lead to unnecessary litigation, considerable expense and also loss of reputation.

Why should one conduct an FTO?

Before launching any product, an FTO is recommended to ensure that launch of the product will not result in the infringement of any third party Patent rights. Apart from identifying potential infringements, an FTO also has the benefit of identifying current market trends and gathering competitor intelligence.

Methodology

Generally, an FTO will begin with a search of patent literature for issued or pending patents, and a legal opinion as to whether the product, process or service in question is likely to infringe any third party patent(s) or pending patents. Non-patent literature, such as publications in journals or magazine articles, will not generally be relevant as it will not involve any rights of exclusion.

An FTO search and analysis is jurisdiction-specific and is usually carried out for a period of 20 years, which is the term for a patent in India.

Once any patents in relation to relevant technology have been identified, the technology, service, product or process in question is mapped in relation to the various claims. It should be borne in mind that an FTO analysis is carried out only in respect of the subject of claims of granted patents: aspects of an invention that have been disclosed but not claimed are not the subject of exclusive rights.

A 'Freedom to Operate' conclusion can be reached for various reasons e.g.

- a) the invention has been disclosed in a patent that is not be in force or has expired;
- b) it has been disclosed in non-patent literature; or
- c) the relevant invention has been disclosed in a patent that is in force in a country outside India.

While these situations will lead to the conclusion that a product may be launched in India, it does not follow that the invention will be patentable in India. A positive FTO investigation means that a technology or product may be used in India; not that it will be patentable there.

Challenges

Conducting an India-specific FTO can be difficult due to the lack of available data in relation to patent applications filed, and patents granted, each year. Conducting a full FTO investigation for a 20 year period would be difficult, time consuming and expensive for the following reasons.

The official website of the Indian Patent Office is still evolving. It contains only data from 2005 onwards – prior to this, data is available only in print journals – and, even then, the data that is uploaded is unreliable as it is not up-to-date. It is, thus, necessary to inspect both the physical files and the register of patents in order to gather up-to-date information. Because it is not possible to undertake keyword searches of patent abstracts, claims or specifications, it will be helpful, when carrying out these searches, to know the names of any competitors that may be marketing a similar product.

Because of the difficulty of carrying out the necessary searches in India, parties are increasingly conducting FTO investigations on the basis of the patent databases of other countries (EPO, USPTO) to identify relevant patents or patent applications. The details of any relevant granted patents or pending applications identified are then used to identify relevant patents or patent applications in India, thereby reducing the number of Patent documents that may require physical inspection/investigation at the Indian patent Office.

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