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IN THE HIGH COURT OF DELHI AT NEW DELHI

Reserved on: 18th March, 2023

Date of decision: 18th July, 2023

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CS(COMM) 573/2021 and I.A. 14842/2021

RXPRISM HEALTH SYSTEMS PRIVATE LIMITED

& ANR. Plaintiffs

Through: Mr. Tanmaya Mehta, Mr. Sanyam Khetarpal, Ms. Prakriti Anand and Mr. Karan Vijayan (M:9873674225).

versus

CANVA PTY LTD & ORS. Defendants

Through: Mr. Saikrishna Rajagopal, Ms. Sneha Jain, Ms. Garima Sahney, Dr. Victor Vaibhav Tandon, Ms. Priyam Lizmary Cherian, Mr. Saif Rahman Ansari and Ms. Shruti Jain, Advocates. (M:9582085884).

CORAM:

JUSTICE PRATHIBA M. SINGH

JUDGMENT

Prathiba M. Singh, J.

I.A. 14842/2021 (O. XXXIX Rule 1 & 2 and Section 151 of CPC, 1908)

The present judgment consists of the following sections:

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Introduction:

1. The evolution of business and commerce has undergone tremendous transformation with the advent of the internet and online communication platforms. In traditional business and commerce, the tools required for promoting a particular product or service were different as compared to the tools that are required today.
2. In traditional brick-and-mortar stores, products are showcased, for example, through well-lit showrooms, display windows, mannequins and sales personnel who interact with the consumer, explaining the nature of the product. The physical interaction between consumer and the shopkeeper/sales person plays a significant role in the finalisation of the purchase of the product itself.
3. While certain elements of this process are absolutely essential, other elements may be considered mere promotional and marketing strategies. However, the importance of such tools utilised by businesses cannot be undermined.
4. As commerce on the internet has grown and businesses have had to adjust to the new world order of conducting business, innovation in this space has also taken place in the transformation of tools which existed in the physical world, to digital tools for the online world. The present case relates

to one such digital tool over which the Plaintiff claims a monopoly by virtue of a patent obtained by it.

Background to the present suit:

5. The present suit for injunction restraining patent infringement, rendition of accounts etc., has been filed by the Plaintiff No. 1-RxPrism Health Systems Private Limited and its founder, Plaintiff No. 2 – Dr. Maruthi Viswanathan (hereinafter, '*the Plaintiff*'), against the Defendant No. 1- Canva Pty. Ltd. and its founders – Defendant No. 2-Ms. Melanie Perkins, Defendant No. 3-Mr. Clifford Obrecht and Defendant No. 4-Mr. Cameron Adams (hereinafter, '*the Defendant*'), seeking a permanent injunction restraining infringement of Indian Patent No. '**IN 360726**'. The Plaintiff is based in India, whereas the Defendant is based out of Australia.

6. By way of the present application, the Plaintiff seeks an interim injunction restraining the Defendant from engaging in activities such as using, making, selling, distributing, advertising, offering for sale, etc., or dealing in any product that infringes the subject matter of Indian Patent No. '**IN360726**' (hereinafter, '*IN726*' or '*suit patent*').

7. The case of the Plaintiff is that it developed a novel and innovative product which is a system and a method for '*creating and sharing interactive content*'. This system of sharing content is distinct from video advertisements. It filed an Indian patent application bearing number '**201841048222**' on 19th December, 2018, which was published on 3rd January, 2020. The Plaintiff claims to have launched their product based on this patent, called '**My Show & Tell**' ('*Plaintiff's product*') in May 2020.

8. On 10th March, 2021, the Plaintiff's patent was granted in India. Additionally, it is stated that the Plaintiff has been granted two patents in the

US, and has patent applications pending for grant in other jurisdictions. The details of both granted patents and pending patent applications is set out below:

| <i>S.No.</i> | <i>Country</i> | <i>Application No.</i> | <i>Patent No.</i> | <i>Status</i> |
|--------------|------------------|------------------------|-------------------|----------------|
| <i>a)</i> | <i>USA</i> | <i>16/721384</i> | <i>11140464</i> | <i>Granted</i> |
| <i>b)</i> | <i>USA</i> | <i>16/865592</i> | <i>11113462</i> | <i>Granted</i> |
| <i>c)</i> | <i>USA</i> | <i>17/343073</i> | <i>NA</i> | <i>Pending</i> |
| <i>d)</i> | <i>USA</i> | <i>17/405822</i> | <i>NA</i> | <i>Pending</i> |
| <i>e)</i> | <i>Singapore</i> | <i>11202106395T</i> | <i>NA</i> | <i>Pending</i> |
| <i>f)</i> | <i>Europe</i> | <i>19897721.7</i> | <i>NA</i> | <i>Pending</i> |
| <i>g)</i> | <i>Canada</i> | <i>3122344</i> | <i>NA</i> | <i>Pending</i> |
| <i>h)</i> | <i>Australia</i> | <i>2019401994</i> | <i>NA</i> | <i>Pending</i> |

9. Defendant No.1-Canva is a graphic designing platform launched in 2013, and offers comprehensive design solutions on the website, www.canva.com. Canva provides services such as blog graphics, presentations, flyers, posters, and invitations creation, catering to a global audience. In an effort to spread and make designing easy, it constantly integrates new features and tools to enhance its service offerings, including new design types and numerous publishing options. One notable feature they provide is the ***‘Present and Record’*** feature enabling users to rapidly create interactive presentations, with personalised visual content.

10. On 26th May 2020, the Defendant filed a provisional application in Australia bearing Australian patent application number ***‘2020901701’*** titled ***‘Presentation Systems and Methods’*** that thereafter lapsed on 7th February 2022. In the meantime, the Defendant launched its Canva product with the ***‘Present and Record’*** (*‘Defendant’s product’*) feature, on 27th August, 2020. The Defendant also filed another PCT application bearing

‘PCT/AU2021050502’ on 26th May, 2021 in respect of their invention, which claims priority from their Australian patent application.

Submissions of the parties:

11. Mr. Tanmay Mehta, Id. Counsel for the Plaintiff submits that the purpose of the patented product is to enable the creation of content for promoting products or even services, on online platforms. The manner in which the product can be used by any person, who wishes to upload content for marketing, along with a video would be:

- a) to first upload the slides;
- b) to record the video;
- c) uploading of the video;
- d) creation of the link;
- e) storage on a server;
- f) using the Call-to-Action button which would enable the user to perform various actions in respect of the uploaded product consisting of the video.

12. After viewing the product with the video in a Picture-in-picture (hereinafter, ‘PIP’) format, the user could either buy the product, either send a message or could make a call, etc.

13. Id. Counsel then highlighted the patent specification, which provided several reasons why the Plaintiff developed the product. The background of the invention is pointed out, along with the state of the prior art, and the object which the invention seeks to achieve.

14. After highlighting the above aspects, Claim No.1 of the suit patent is placed before the Court to argue that the said claim is a detailed system and method claim, which encapsulates the Plaintiff’s complete invention.

15. According to the Plaintiff, the first claim includes three broad elements, namely, the slides, the video and the Call-to-Action. One of the key features of the Plaintiff's product is that the slides can be changed without affecting the underlying video or the Call-to-Action. This feature makes the Plaintiff's product unique, as the entire video or the slide will not need to be re-recorded in order to effect a small change.

16. Mr. Mehta, Id. Counsel made the following further submissions:

- a) That the bulwark of the Plaintiff's product is the PIP feature, which moves along with the slide simultaneously in a unique and seamless manner. While a recording is being made of the video/slides, the person i.e., the first user can swipe the slides in a manner as to integrate the content of the speech with the relevant slide. The Call-to-Action button is finally embedded in the slide itself. The submission is that all the features of the Plaintiff's product have been included in the Defendant's product. He relies upon a PowerPoint Presentation with an embedded video comparing the functionality of both the products, demonstrating that the steps present in the Plaintiff's product, are the very same steps contained in the Defendant's product.
- b) The Plaintiff's product can be used by e-commerce platforms, and sellers for an interactive presentation showing the features of any product that the seller wishes to sell on their platform. It has features such as PIP and Call-to-Action, by which an instant message can be sent by buyers or sellers who wish to communicate with one another regarding products.
- c) The Defendant launched its Canva product with the '**Present and Record**' feature post the publication of the Plaintiff's patent, and also

filed a PCT application for their product. However, it is stated that the Defendant has since then abandoned their PCT application.

- d) To support their submission that the Defendant's product is based on the Plaintiff's product, reliance is placed on the conclusions of the Report filed by the Defendant's Expert, Mr. Benjamin B. Bederson dated 8th January 2022 (hereinafter, '*the First Report*'). The Plaintiff argues that, in fact, the First Report confirms its stand that the Defendant's product is an infringing product of the Plaintiff's patent. The Plaintiff states that the First Report fails to address the Defendant's PCT application, nor the source code for their product. According to the Plaintiff, the Expert's opinion is a cautious report that does not deal with all the issues, and impliedly supports the Plaintiff's stand. It is further emphasised that the Defendant's product implements all these features in an identical manner. Even the action of uploading of the slides, the creation of the video, configuration and connection to any website has been identically imitated. The Call-to-Action feature has also been incorporated in the Defendant's system.
- e) The Defendant's Expert-Mr. Bederson had participated in the proceedings virtually. On a query from the Court, the Defendant's Expert responded that initially, during the First Report he did not consider the Defendant's PCT application bearing no. **PCT/AU2021/050502** dated 26th May 2021 titled '**Presentation Systems and Methods**'. However, in the supplementary report dated 27th July 2022 (hereinafter, '*the Second Report*'), the Defendant's Expert took into account the said PCT application. Mr. Mehta vehemently submits that a fresh supplementary report of the

Defendant's Expert is sought be filed after arguments commenced, and the same ought not to be considered by this Court.

17. On the issue of infringement, Id. Counsel for the Plaintiff argues as follows:

- a) that there are three infringing features of the Defendant's product which infringe the Plaintiff's patent i.e.:
 - i. the Defendant's product also follows a layered approach, wherein changes can be carried out in one layer without affecting the other layers;
 - ii. the Call-to-Action button is integrated with the layered approach; and
 - iii. the Defendant's PCT application itself shows that almost all the features of the Plaintiff's product are present in the Defendant's PCT application and hence in the Defendant's product.
- b) Mr. Mehta then draws attention to the First Expert Report which states that five features in the Plaintiff's patent are not present in the Defendant's product. However, the Defendant's Expert has failed to take into consideration the Defendant's PCT application. Further, the Defendant's product has an identical interface. On the other hand, the Plaintiff's patent also has been granted in the US, demonstrating that novelty and inventive step in the Plaintiff's patent has also been acknowledged by the US Patent and Trademark Office ('USPTO'). On the other hand, one patent application filed by the Defendant in Australia subsequent to the Plaintiff's patent has already been allowed to lapse.

c) Coming to the First Report, the conclusion made by the Defendant's Expert at paragraph 208 is relied upon. The same reads as under:

*“208. As set forth in this report, it is my opinion that the Canva products accused of infringement of the '726 patent by RxPrism **do not meet all of the elements of any independent claim.** My analysis shows that none of the independent claims **have been fully implemented in Canva's product.** The gaps of independent claims will also be read into the dependent claims which cannot be read or interpreted in isolation.”*

He submits that the Expert's above conclusion shows that he is cautious while stating that the Defendant's Canva product '***Present & Record***' feature doesn't meet all of the elements in any independent claim. The Expert further states that none of the independent claims have been fully implemented. In fact, according to Mr. Mehta, the Expert admits that several elements of the independent claims of the Plaintiff's patent have been implemented by the Defendant in their Canva product with the '***Present and Record***' feature. The Plaintiff thus submits that the tests being applied by the Expert, that all elements should be present would be incorrect, inasmuch as in order to establish the infringement, the test is one of '*pith and marrow*', and not the presence of all elements. Therefore, the Plaintiff concludes that while some elements of the Plaintiff's independent claims have been implemented by the Defendant, the presence of all elements should not be the requirement for establishing infringement.

18. In the reply to the present application under Order XXXIX Rule 1 and 2 of CPC, Mr. Mehta submits that:

- a) The Defendant has clearly admitted that its Australian patent application, and the PCT application covers the impugned technology, and the said technology is developed by the Defendant itself. Thus, in order to establish the infringement, the Plaintiff may rely upon the Defendant's PCT application. Paragraph 15 of the Reply of the Defendant to the Plaintiff's application is reproduced as under:

*"15. At the outset, it is submitted that Defendant No. 1 has filed its own patent application being AUS 2020901701 covering their own technology related to the feature "Present and Record" (which the Defendants termed as "Talking Presentations"). It is submitted that the said Australian patent application was published on 11 June 2020. Importantly, Defendant No. 1 has also filed **PCT application PCT/AU2021/050502** claiming priority date of 26th May 2020 from their Australian patent application. **Consequently, no question of infringement arises as the Defendants are relying upon their own developed technology as sought to be patented by them.**"*

- b) Additionally, reference was made to the drawings annexed with the Defendant's PCT application to show that the communication module, and the Call-to-Action interface both exist in the Defendant's product. Figure-1 in the PCT application has to be read with [0052] of the PCT application to show the existence of communication interface. This aspect was denied by the Defendant's Expert at paragraphs 209-210 of First Report.
- c) It is further urged by the Plaintiff that the communication interface in the Defendant's PCT application is nothing but communication between the '*first media*', '*second media*' and the '*user*', which is clearly present in the Defendant's product as is represented in the figure

1 & 2 of the PCT application. This corresponds to Claim 1 of the Patent, which refers to the communication interface. Thus, a conjoint reading of Claim 1 of the Plaintiff's patent, with the figures in the Defendant's PCT application, and the PCT application description establishes beyond doubt that the communication interface exists in the Defendant's product as well.

- d) With respect to the other elements, which according to the Defendant's Expert are absent, it is submitted that after examining the specific claim-mapping chart filed by the Plaintiff, the Expert's assertions would be incorrect. Insofar as the interface is concerned, the Call-to-Action button exists in the Defendant's product, and also provides a hyperlink, for example, to another source. The fact that the hyperlink can be created itself shows that the Plaintiff's product, and the Defendant's product is the same. If a hyperlink can be created for linking a particular source to the user, then the said hyperlink could also be created for even making a call or for other similar actions.
- e) On the third issue raised by the Expert that the Defendant's product does not have a configuration interface, the Plaintiff submits that the entire meaning of configuration interface is merely that the frames or the file contents can be changed without editing the other parts of the file. The existence of a '*sandwich layer*', which is now described as the third layer by the Defendant, is merely an incorrect interpretation, given that the said layer is not a separate layer, but is a sandwiched layer, and is part of the first layer itself. In response to this, Mr. Saikrishna, Id. Counsel for the Defendant submits that this capability of editing of the frames separately, without altering the other frame is covered by prior

art, including as is depicted in Second Report dated 26th July 2022. Moreover, the Defendant places reliance on Microsoft PowerPoint 2016 Version, which possesses identical features.

f) Mr. Mehta further argues that the Defendant's Expert attempts to highlight a distinction between the Plaintiff's product and the Defendant's product regarding the movability of the PIP. However, he submits that even the Canva product with the '*Present and Record*' feature previously had a movable PIP, but it has been altered during the course of the present suit.

19. Mr. Mehta makes the following points regarding the distinction between the Microsoft PowerPoint 2016 version and the Plaintiff's product:

- a) In Microsoft PowerPoint, if there is a mistake in one slide, audio slide or video slide, the said slide would have to be edited accordingly and then the presentation would be a new presentation unlike in the Plaintiff's product where editing is permissible without changing the other parts of the file.
- b) Microsoft PowerPoint has no PIP feature, and it is not a '*layered*' programme.
- c) The Call-to-Action feature may exist in Microsoft PowerPoint, however, the manner in which interactivity is possible in the Plaintiff's product is not present in Microsoft PowerPoint. For example, if a product's image is to be changed, the same is capable of being changed without altering the other parts of the slide in the Plaintiff's product, whereas that is not possible in Microsoft PowerPoint.

20. Final submissions made by Mr. Mehta are:

- a) That the similarity in the functionality is admitted by the Defendant's Expert, where it is in effect admitted that the similarity may exist, but the same can be implemented differently in the Defendant's product. The Expert concludes that Defendant's products do not incorporate the features outlined in Independent Claims, 1 and 39 of the IN'726 patent. Additionally, it was observed by the Expert that the Plaintiff's attempt to demonstrate functional similarities between Defendant's Canva product with the '*Present and Record*' feature, and the claimed product in '*My Show and Tell*' product disregards the specific components and steps outlined in the granted patent. Thus, the Plaintiff argues that the Expert's report admits to functional similarity between the Plaintiff's product and the Defendant's product. The Plaintiff refers to following paragraph the First Report:

*"17. Non-Infringement: Pursuant to my analysis, elaborated below, I am of the view that Canva's products do not practice the features of the independent claim 1 and independent claim 39 of the '726 patent. **I also observe that RxPrism has only attempted to show the similarity in functioning of Canva's product and the functions achieved by the claimed invention, despite the fact that the patent has been granted on a system with specific components and on a method with specific steps, none of which have been shown to be implemented in Canva's product.** In particular, the components or steps identified in the claims of the suit patent are not implemented in Canva's product and the comparison chart submitted by RxPrism showing comparison between the claims of the impugned patent and Canva's product have several lacunae. Such a defective comparison, in my view, is not reliable for*

making any conclusions on whether or not the product and the claims are actually mapping onto each other.”

b) An assertion made by the Defendant in the Post-Grant Opposition proceedings under Section 25(2) of the Patents Act, 1970 is relied upon. It is argued that, during the Post-Grant Opposition proceedings, the Defendant itself admitted that it has developed a similar technology, and hence was a person interested in the filing of the Post-Grant Opposition to the Plaintiff's patent.

21. Mr. Saikrishna Rajagopal, Id. Counsel for the Defendant submits that the Defendant's product has multiple functionalities but the present suit is only respect of the '**Present and Record**' feature of the Canva product. In the Plaintiff's patented invention, the product is uploaded in the form of a slide with a video. However, the Defendant's Canva product being made available to users, has various applications such as creation of marketing videos, presentations, logos, creation of logos, Instagram posts, creation of pamphlets/ flyers resumes, posters, certificates, brochures, business card, wallpapers, graphs, banners, invoices, photocards, etc.

22. Mr. Saikrishna submits that in the Plaintiff's product there are three '*layers*'. **Firstly**, the media, then the video, and the third is the Call-to-Action. The Call-to-Action feature is the third layer in the Plaintiff's product but when the Call-to-Action button is used in the Defendant's product it in effect brings about change in the first layer itself. This, according to him, is the fundamental difference between the Plaintiff's and Defendant's products.

23. He, further, seeks to highlight that as per the Plaintiff's product there is a hardware configuration, but in the Defendant's product it is a feature which is embedded in the software itself.

24. The following further submissions were made by Mr. Saikrishna:
- a) The Defendant's feature which is alleged to be infringing, i.e., '**Present and Record**' feature is only available in the Defendant's web-based products, and not through the app. The Defendant's website offers multiple features, and the specific feature being complained about is the '**Present and Record**' functionality, which is only a part of the overall Defendant's product. The remaining part of the Defendant's product is not affected by the suit patent, and neither complained of.
 - b) The '**Present and Record**' feature permits any user to create slides and the audio/video content separately, and then seamlessly merges them together.
 - c) In the Plaintiff's product, there are three '*layers*' consisting of media, video, and a Call-to-Action feature. The Call-to-Action feature serves as a distinct third layer in the Plaintiff's product. However, in the Defendant's product, when the Call-to-Action button is used, it brings about a change in the first layer itself. This fundamental difference between the Plaintiff's and Defendant's products lies in the placement and functionality of the Call-to-Action feature. Thus, the presence and treatment of the Call-to-Action feature differentiates the Plaintiff's product and Defendant's product.
 - d) As per the Replication, the Plaintiff's product has 7 features, which have been characterized as A1, A2, A3, A4, B5, C6 and C7. Unlike 7 steps, which are in the Plaintiff's patent, the Defendant's product merely has 3 steps and, is thus, completely different from the Plaintiff's product.

- e) These features were a part of the technical primer handed over to the Court. The layering of the slides as 'Layer 1', audio/video as 'Layer 2', and the Layer in between Layer 1 and Layer 2 as the 'sandwich layer', is the architecture of the Plaintiff's product. In addition, the superimposition of audio or video content on the background slide along with Media 2 being movable through haptic interaction is another feature of the Plaintiff's product. The sandwich layer is what allows the Plaintiff to superimpose audio or video content on the background slide. The Defendant's product does not have the sandwich layer, so it cannot superimpose audio or video content on the background slide. The second difference between the Plaintiff's and Defendant's product is the absence of haptic movement of the video feature or PIP. The Plaintiff's original plaint did not mention the sandwich layer. However, when the Defendant argued that the suit patent was invalid because the prior art disclosed the existence of two Layers, the Plaintiff added the sandwich layer to their reply. The same was, thus, introduced in the Plaintiff's Replication for the first time. If the Plaintiff relies on the sandwich layer to distinguish their product from the prior art, then the absence of the sandwich layer would by itself make the Defendant's product completely different from the Plaintiff's product.
- f) The Call-to-Action feature in the Plaintiff's product allows changes in the same, without affecting Media 1 and Media 2. However, in the Defendant's product the Call-to-Action is admittedly in Media 1, and any change in Call-to-Action feature would result in a change in Media 1 feature itself. The Call-to-Action feature is ultimately visible only to the end users in the Plaintiff's product. However, in the Defendant's

product, the same is available immediately upon access to the Media 1. Paragraph 15(a) of the plaint is highlighted to argue that the Call-to-Action feature along with Media 1 and Media 2 provides the best alternative to the traditional video technology. Thus, this is an essential feature of the Plaintiff's product. Paragraph 15(a) of the plaint is as follows:

“The invention of the Plaintiffs is demonstrated with the following illustrations:

*a) The granted system and method enable users to rapidly/instantly create multimedia based interactive content presentation by showing visual content like images, photos, videos, audio, videos with audio, text, text animations, animated graphics, interactive animation, interactive poll questions as first media in the background and explaining about them using audio or video recording as second media as an overlay foreground in an insert movable window, then saving & sharing the content with target audience as a personalized multimedia based interactive content through any online platform or communication medium, wherein the viewer appreciates and interacts with all interactive user experience while playing. The configuration interface is configured to organize the interactive content settings for every interactive content. **Interactive content settings includes set one or more Call-to-action button to be included in interactive content with hyperlink to one or more content or external web URLs or network-based text chat, video call communication for second user to interact with first user Set Interactive content title, description, search hash-tags, content classification type, pricing details, stock details, preview picture for the viewers to play and interact first media content and call-to-action buttons.** The recipient can view the interactive content on any device, anytime. This*

addresses the problem of people not reading text description or text messages/email(s). Using this invention one can rapidly/instantly create an interactive content and share with their target audience instead of sharing emails/messages. The target recipient just needs to watch/hear the interactive content received by them. This is a best alternative for the traditional video technology which consumes huge cost and time”.

- g) Further, reliance is placed upon pages 23 & 24 of the plaint where the manner in which the Plaintiff's product works has been explained. In the said pages, the plaint avers that the product aims to enhance communication by utilizing a layered presentation approach. It involves displaying visual content, such as images or slides, as the background layer (referred to as the '*first media/Media 1*') and providing explanations or descriptions through video or audio notes (referred to as the '*second media/Media 2*') as the overlay foreground. During the content creation process, the user can record the second media (video or audio) while visual content from the first media is displayed one slide at a time. The recorded second media is placed as an overlay in a movable insert window. The user has the flexibility to change the background visual content and continue explaining or describing it. Once the recording is complete, the interactive content can be saved and shared with an online audience. Additionally, the author of the interactive content has the option to configure a Call-to-Action button. According to the Defendant, this explanation clearly shows that the impression created in the plaint was that there are two layers i.e *first media* and the *second media*, along with an available

option of Call-to-Action feature. However, this position was resiled from in the replication where the Call-to-Action feature was portrayed as a sandwich layer. He submits that as per the plaint, Media 1 and Media 2 layers are considered as essential features, and these very features are present in the following prior art documents:

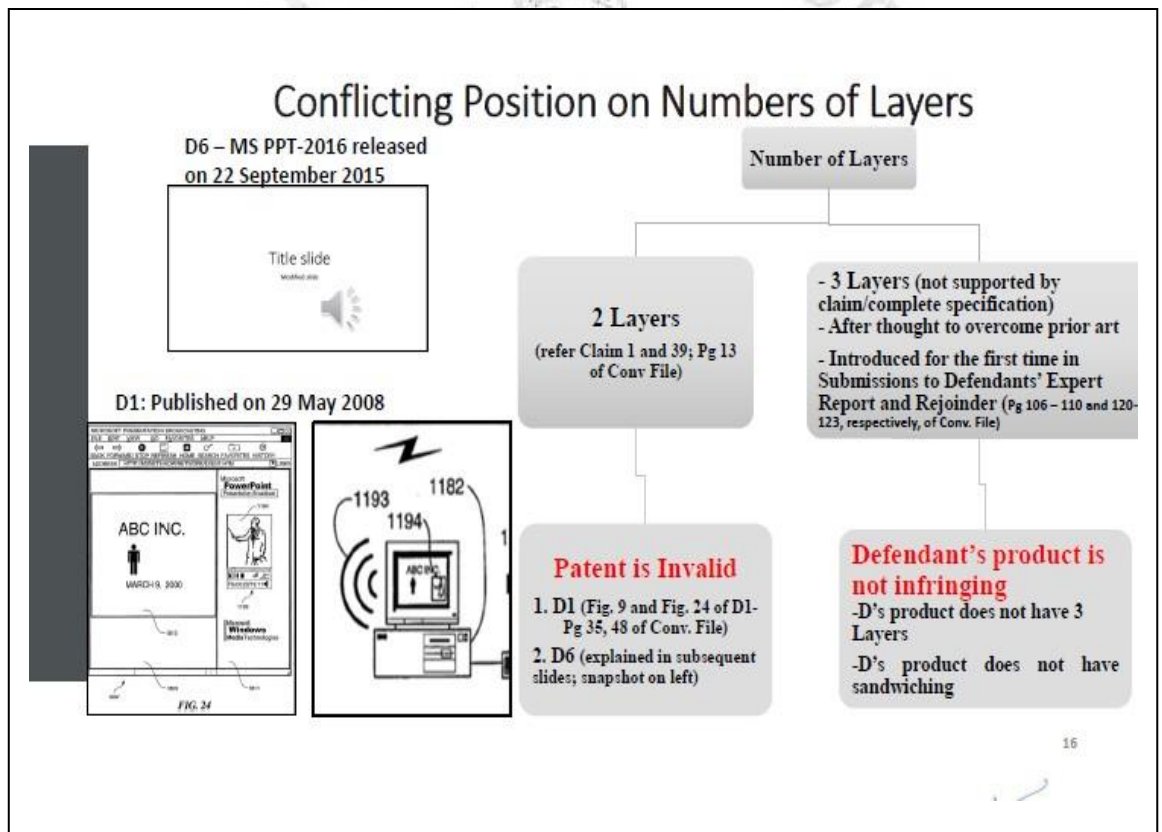
(i) D1, a US patent application, i.e., US 2008/0126943 A1 (Parasnis),

| | |
|---------------------------|--|
| Application Number | US 12/013,988 |
| Publication No. | US 2008/0126943 A1 |
| Title | System and method for recording a presentation for on- demand viewing over a computer network |
| Priority Date | 14 th January, 2008 |
| Publication Date | 29 th May, 2008 |
| Assignee | Microsoft Corporation, Redmond, WA (US) |
| Inventors | Shashank Mohan Parasnis, Palo Alto, CA (US); Paul C. Poon, San Jose, CA (US); Paul O. Warrin, San Francisco, CA (US) |

(ii) D6 [Microsoft PowerPoint 2016 version].

In the Replication, however, the manner in which the Call-to-Action feature is sought to be projected as a sandwich layer, and the clear departure from the case pleaded in the plaint, is highlighted. It is in view of this changed instance that the Expert's Second Report dated 26th July 2022 was obtained for the second time, and the same was placed on record.

h) The submission, therefore, is that if one goes by the case pleaded in the plaint, the suit patent would be invalid. If one goes by the stand taken in the Replication, the Defendant's product would be non-infringing. It is in view of this that the claim construction is extremely important in the present case. The argument relies on the technical primer, which establishes that the presence of two layers was well-known not only in D1 but also in the Microsoft PowerPoint 2016 version, referred to as D6. These two documents would show that the two layers feature was not novel or inventive. The said technical primer states as follows:



i) According to the Defendant, an attempt has been made by the Plaintiff to demonstrate that the Defendant's product has a movable feature of the PIP. It is submitted that this is a complete misrepresentation, inasmuch as haptic interaction feature does not exist in the Defendant's

product. It is only if the Defendant's product is accessed through Firefox browser that the said PIP feature becomes movable due to the enabling mechanisms provided in Firefox. This was clear from the fact that if the Defendant's product is accessed through Google Chrome, such a movement does not take place. This position ought to have clarified to the Court, but the Plaintiff sought to mislead the Court. During the course of the arguments, it was once again clarified that the haptic movement feature does not exist in the Defendant's product.

j) Regarding the different modules, it is pointed out that the Plaintiff's response to the First Examination Report ('FER') dated 28th November, 2020, emphasizes that they have relinquished the claim on the software aspect of the invention. Instead, they solely rely on the hardware component, as they were aware that claiming the software part would render the invention non-patentable under Section 3(k) of the Patents Act, 1970. Thus, it is submitted that if the patent is software-related it would hit by Section 3(k) of the Patents Act, 1970. And if it is restricted to hardware (*i.e.*, limitations as mentioned in the response to the FER are read into the Plaintiff's product), then the Defendant's product is non-infringing as it is merely a software programme.

k) Finally, on the issue of invalidity, a video prepared on the basis of Microsoft PowerPoint 2016 version is relied upon to argue that all the features contained in the Plaintiff's product were also available as of 2016 in the Microsoft PowerPoint.

25. Finally, according to Mr. Saikrishna, the Plaintiff's product has the following broad features.

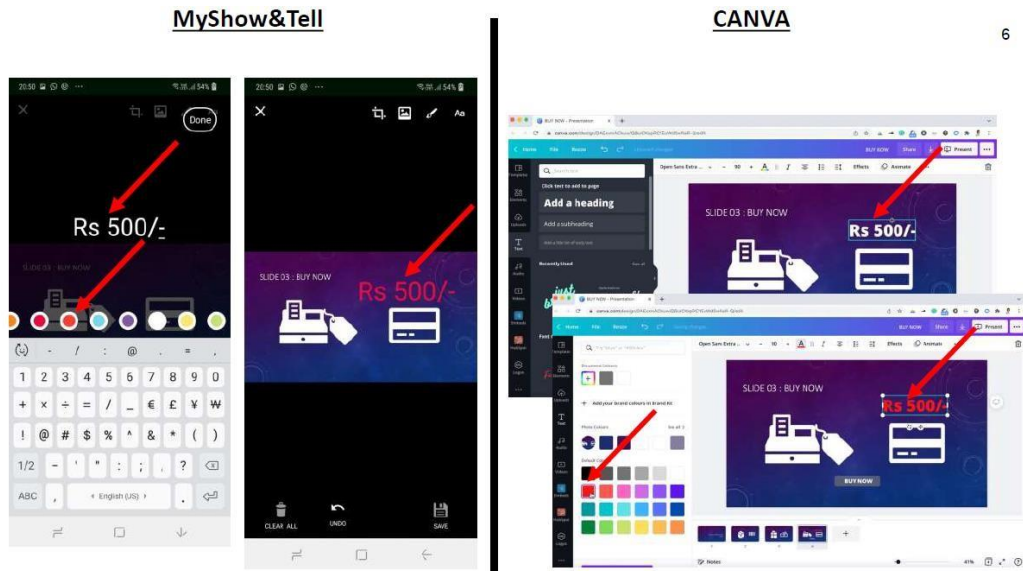
a) A slide presentation, which can be described as Media 1.

- b) The audio/video explanation or description, which can be considered as Media 2.
- c) A Call-to-Action feature, which includes a drop-down menu giving various details such as link, phone number, etc. which is a sandwich between the Media 1 and Media 2.
- d) The Call-to-Action feature, and the content thereof which can be changed/modified without affecting any change in the Media 1 and Media 2.
- e) Media 1 can be changed/highlighted without affecting the Media 1 or Media 2 i.e. the sandwich layer.
- f) All the three are in a layered manner, so as to result in the Media 1 being in the background, and the Media 2 being in the foreground to give a PIP effect.
- g) Finally, the PIP can also be moved in a locational sense, and not in the form of expansion.

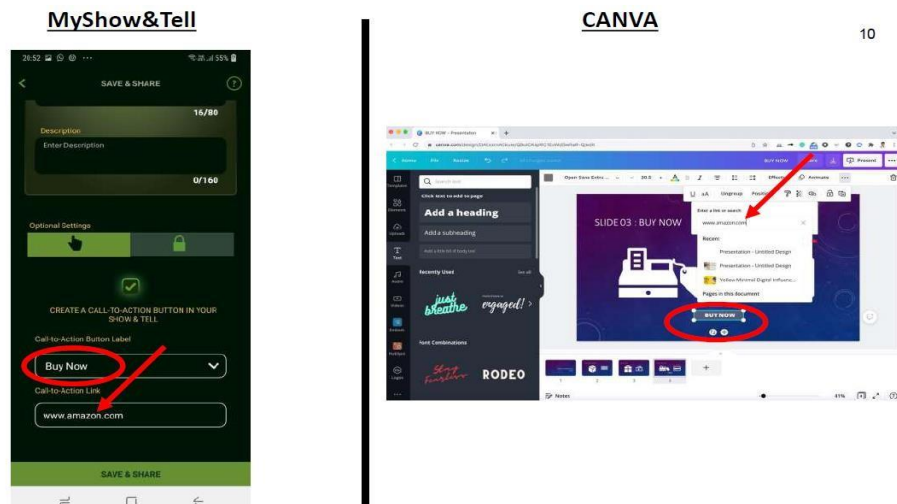
26. During the proceedings, a query was put by the Court to Id. Counsel as to whether the Defendant could escape infringement by placing the Call-to-Action feature in between Media 1 and Media 2. In response, it was emphasised that the Call-to-Action feature serves as a star/pivotal element of the Plaintiff's product. Importantly, this feature can be modified independently without affecting Media 1 and Media 2. However, in the Defendant's product, if the Call-to-Action feature is integrated into Media 1, any alteration to it would require a corresponding change in Media 1 itself. This distinction is crucial because in the Plaintiff's product, the Call-to-Action feature can be modified without necessitating alterations to Media 1, highlighting the core difference between the two approaches. To support this

argument, reference was made to slide 6 and slide 10 from the Plaintiff's PowerPoint presentation (PPT).

Slide 6:



Slide 10:



These slides demonstrate that the Call-to-Action feature in the Plaintiff's product is present within Media 1 itself, whereas in the Defendant's product, it is only visible in the final Call-to-Action drop-down menu. In the Defendant's product, the Call-to-Action feature is existing in Media 1, and

not at the final rendering as in the Plaintiff's patent. In order to highlight the fact that the core and essential features of the Plaintiff's product are these features, reliance is placed upon the Plaintiff's Expert Report signed by Dr. Vivek Kapoor dated 22nd February 2022. This argument aims to establish that the three 'layers' of the Plaintiff's suit patent are not only essential, but also represent fundamental aspects that differentiate the Plaintiff's product from the Defendant's product.

27. It is also argued that the Defendant's PCT application filed also fails to disclose the presence of the three layers in its system. Additionally, it lacks a moving PIP feature, and a mechanism to display the Call-to-Action feature. If these essential features are absent, even if there are other similarities or resemblances, it is urged that the Defendant cannot be deemed to infringe upon the Plaintiff's patent. In support of this argument, reliance is placed on the judgment of the Id. Single Judge of this Court in *Sotefin S.A. v. Indraprastha Cancer Society* (paragraphs 28, 29) [2022 (89) PTC 602 (Del)]. According to the Defendant, this judgment highlights that if all the essential features are missing in the Defendant's system, the Defendant can successfully evade any allegations of infringement.

28. Mr. Tanmay Mehta, Id. Counsel for the Plaintiff in rejoinder submits that:

- a) The Plaintiff asserts that the distinguishing feature as highlighted by the Defendant is actually a creation of the Defendant itself. The Plaintiff never claimed or pleaded the existence of a separate 'third layer' for the Call-to-Action feature. The term 'sandwich' merely indicates that the Call-to-Action feature has been integrated into the existing media.

- b) The Plaintiff argues that the position of the Call-to-Action button within the system does not determine the outcome. The Plaintiff and Defendant are free to use the feature/button as they choose, as long as it can be integrated with the existing audio/video aspects. The decision on the placement of the Call-to-Action button is subjective, and based on aesthetics and user interface preferences, without creating a technical difference between the Plaintiff's and Defendant's products.
- c) Plaintiff's product is the first to seamlessly integrate product images, audiovisual files, and the Call-to-Action feature as part of one system. While the Defendant's product has similar features, the crucial aspect is the integration rather than the positioning of the Call-to-Action feature.
- d) The Plaintiff's product allows customers to simultaneously view the product, understand its features through explanatory videos, and take immediate action such as placing an order or making a call. No such product existed hitherto. This demonstrates the novelty and inventiveness of the Plaintiff's patented product.
- e) Reliance is also placed on the First Report and the Second Report, which claims that the Defendant's product did not implement a Call-to-Action user interface to argue that the initial stand was that the Call-to-Action does not exist, but now during the course of arguments, the Defendant has tried to change the goal post by arguing that Call-to-Action feature has been incorporated in a separate location.
- f) Insofar as the moveability of the PIP is concerned, the Plaintiff highlights the Complete Specification (page 12) to argue that the immoveability and draggability of the PIP cannot be confused with each

other. There are two separate features over which the Plaintiff has rights. The Defendant's product allows PIP feature to be movable, but the integration capability is the Plaintiff's essential aspect, rendering the highlighted differences irrelevant for establishing infringement.

- g) The Defendant has admitted in the Post Grant Opposition that it has developed a product with a similar technology. In the Post Grant Opposition, the Opposition Board constituted under Section 25(2) of the Patents Act, 1970 has given a recommendation in favour of the Plaintiff which is now being considered by the Controller of Patents and Designs.
- h) Finally, the Plaintiff argues that Microsoft PowerPoint 2016 version, relied upon as prior art, operates differently. In PowerPoint, to change a slide, the entire presentation needs to be downloaded, edited, saved, and uploaded again. This differs from the Plaintiff's product, which allows changes to be made more easily. In PowerPoint, if an overlaid audio file is paused, the slide show continues independently, whereas in the Plaintiff's product, the audio is integrated with the slide show. Finally, it is submitted that in the sur-rejoinder, the Defendant admits that its product is being changed on a weekly basis (para 39 of the sur-rejoinder).

The Plaintiff's invention and the problem it solves

29. The Plaintiff- a registered Indian start-up, has developed a digital tool aimed at enhancing interactive content sharing. According to the Plaintiff, while social commerce platforms enable users to promote and sell products by sharing product images and descriptions, this method often falls short in providing a natural shopping experience. Simply sharing product images and

text descriptions isn't usually sufficient to instill confidence in potential customers and convert these interactions into sales. For more effective sales conversion, it's necessary to provide detailed and skillful product education to the potential customers. The Plaintiff claims that their product is able to fulfil this vacuum.

30. The Defendant is an Australian graphic design platform operating through www.canva.com, offering solutions for users to create blog graphics, presentations, flyers, posters, and invitations. A feature named '**Present and Record**' is being offered on their website as a recommended publishing option for any design created on the platform. The Defendant's Canva product containing the '**Present and Record**' feature allows users to create interactive presentations by recording video and voice-over, overlaying this onto visual content, personalizing the content, and saving it as a network-based resource for sharing.

Analysis and findings

31. The Plaintiff filed a patent application No. '**201841048222**' dated 19th December 2018, which was granted on 10th March 2021. The Plaintiff, a 'Start-Up', had availed of the request for expedited examination under Rule 24C of the Patent Rules, 2003 as amended in 2016, that resulted in the grant of the patent. The Plaintiff was granted patent no. '**IN360276**' titled '**A system and a method for creating and sharing interactive content rapidly anywhere and anytime**'.

32. It is the Plaintiff's case that it had launched a product by the name "**My Show and Tell**", which is based on the subject matter of the suit patent. A perusal of the Complete Specification reveals that the product is centered around the creation of a system capable of being used for the purposes of

describing a product or even a service on online platforms, especially, e-commerce platforms. It is a known fact that sellers on e-commerce platforms incorporate photographs, images, 3D views etc., of their product to give a real feel of the product to the consumer. However, such images by themselves may not be able to fully highlight the detailed and nuanced features of the product. In addition, the seller is also unable to give the real-life feel of the promotion of the product, by highlighting and emphasising the unique features, price, suitability to different classes of customers etc. According to the Plaintiff, it was in order to fill this vacuum that the new system was developed.

33. The system described in the Complete Specification is capable of being used on various platforms including e-commerce platforms, professional network platforms, customer relationship management platforms and online content generation platforms. The system consists of :-

- a) an authoring module
- b) an interactive content module
- c) a player module
- d) a communication module

34. According to the Complete Specification, the authoring module enables the creation of the interactive content by connecting itself with one or more first user devices. It has a media recorder, first and second media holders, interactive recorder and a configuration interface. The interactive content module also has two media containers, a timeline interface and an interface to display additional information as also to Call-to-Action interface.

35. The communication module enables communication and data transfer between the first user devices, the second user devices, the authoring module, interactive content module and the player module. In effect, the product is in

respect of a system which would enable a seller or content creator to describe a product by uploading slides of the said product or service, and integrating the same with simultaneous video description in an interactive manner. After recording of the audio and video, coupled with the slides, it contemplates creation of a URL which could be pasted on a browser to access the product through the online platform, and also enable the customer to use a “Call-to-Action” button. This button gives various options to the customers to either seek more information, to write an email to contact the seller or to place an order. This entire system is enabled to be a user-friendly format providing a quick method to enable the seller or the provider of the product to create multiple interactive presentations for the purposes of promoting, showcasing, explaining and marketing the product in an effective manner.

36. In the Complete Specification, detailed explanation is provided for various embodiments, describing the manner in which each module functions, each media device functions, as well as how the various modules have been integrated. The Specification also consist of drawings which describes the system in detail, from Figure 1A to Figure 6A, along with their description.

37. The claims are 54 in number. No pre-grant opposition under Section 25(1) of the Patents Act, 1970 was filed opposing the grant of this patent. Claim 1 and Claim 39 relate to the system and the method. Claims 2 to 38 are dependent claims on Claim 1, and Claims 40 to 54 are dependent claims on Claim 39. The product has been summarised in the Complete Specification as under:-

“OBJECT OF THE INVENTION:

An aspect of the present invention provides a system for creating and sharing interactive content rapidly anywhere and anytime. Another aspect of the present

*invention provides a method for creating and **sharing interactive content rapidly** anywhere and anytime.*

SUMMARY OF THE PRESENT INVENTION:

The present invention is described hereinafter by various embodiments. This invention may, however, be embodied in many different forms and should not be construed as limited to the embodiment set forth herein. Rather, the embodiment is provided so that this disclosure will be thorough and complete and will fully convey the scope of the invention to those skilled in the art.

*According to **first aspect** of the present invention, a **system for creating, sharing and viewing interactive content is provided**. The system comprises one or more first user devices associated with one or more first users, one or more second user devices associated with one or more second users, **an authoring module** coupled with the one or more first user devices enabling creation of the interactive content, **an interactive content module** is configured to store the interactive content settings and the interactive content as network-based resources, generate and **publish an URL** for the stored interactive content as interactive content URL to access them through a **communication network**, a player module coupled with the one or more second user devices, **a communication module** configured to establish communication and data transfer between the one or more first user devices, the one or more second user devices, the authoring module, the interactive content module, the player module through the communication network. Further, the authoring module having a media recorder, a first media holder, a second media holder, an interactivity recorder and a configuration interface. **In addition, the player module configured to have an interactive content player which is having a first media container, a second media container, an interactive***

timeline interface, an interface to display additional information and a call-to-action user interface.

Moreover, the one or more second user devices are configured to access the interactive content URL through the communication network to load, play and render interactive content within an interactive content player of the player module.

In accordance with an embodiment of the present invention, the one or more first user devices are configured to create the interactive content through the authoring module by adding one or more first media in the first media holder as sequence of a plurality of first media slides **displaying one at a time as background, add or record one or more second media through media recorder in a plurality of segments with relaying live in the second media holder as foreground picture-in-picture overlay on top of the first media holder in the background, allow the one or more first users, while recording the one or more second media by using the one or more first user devices, to navigate and change one of the plurality of first media slides on display from the plurality of first media slides within the first media holder through haptic interaction and capture the plurality of first media slides changes through interactivity recorder in sync with timeline duration of the one or more second media recording and save as interactivity data and/or cue points.** Also record the one or more first user's haptic interaction through interactivity recorder to move and animate the screen pointers, draw and render screen markers over particular one of the plurality of first media slides, while recording the one or more second media by using the one or more first user devices, in sync with timeline duration of one or more second media recording and save as interactivity data and/or cue points. **Process one or more first media, one or more second media with or without cue points, associated**

interactivity data and store them as interactive content within interactive content module as network-based resources, configure interactive content settings of created interactive content and store it as network-based resource within the interactive content module and receive the interactive content URL through communication network and transmit to one or more second user devices providing access to one or more second users”.

38. The case of the Plaintiff is that its product is completely unique, innovative and no such product currently exists in the market. The product is based on a well-entrenched idea of ‘show and tell’ in the physical world that has been transformed into a digital tool for online platforms. The Plaintiff has applied for grant of a patent for this product in multiple jurisdictions, including the United States, Singapore, Europe, Canada, Australia. The Plaintiff has already been granted patents in respect of its product ‘My Show & Tell’ in the United States. The details of the patents granted in the United States are as follows:-

| S.No. | Country | Application No. | Patent No. | Status |
|-------|---------|-----------------|------------|---------|
| a) | USA | 16/721384 | 11140464 | Granted |
| b) | USA | 16/865592 | 11113462 | Granted |

The Plaintiff’s case for relief:

39. The Defendant No. 1-Canva is an Australian company that also provides a graphic designing platform on the website www.canva.com. The Plaintiff was aware of the Defendant’s product Canva, an online tool that can be utilised by content providers. By using the tools provided by the Defendant, customers can design various graphics, presentations, posters and invitations. The product was launched by the Defendant in 2013.

40. However, according to the Plaintiff, a new feature was incorporated on the Defendant's platform called '*Present and Record*'. The Plaintiff's case is that it came across this feature on the Defendant's product sometime in June 2021, even though it was launched in August 2020. The Plaintiff learned of this feature through a YouTube video. The said digital product was accessible to any user with a computing device and operating system, coupled with hardware, such as, camera microphone etc. According to the Plaintiff, the impugned '*Present and Record*' feature in the Defendant's Canva product provided an almost identical tool for creating product descriptions and other online content.

41. The Plaintiff alleges that due to the incorporation of this feature, which was infringing in nature, the Defendant's active users grew from 30 million in June 2020 to 55 million as on April 2021, with doubling of revenues. It relies on newspaper publications to highlight that the '*Present and Record*' feature, especially during the COVID-19 pandemic, became a huge success.

42. According to the Plaintiff, they had the technology used by the Defendant analysed, which confirmed that it infringed on the Plaintiff's patent. The Plaintiff then established contact with the Defendant, and exchanged correspondence. The correspondence reveals that the Plaintiff shared details of its patent, product claim mapping charts, and in fact offered a license for its patented technology. However, despite the correspondence, the resolution attempts bore no fruition. The Defendant continued to use the said '*Present and Record*' feature on the Canva platform, and offered the same to their clients and subscribers/consumers.

Preliminary steps

43. Initially, this Court issued summons in the suit. The Defendant filed an application *I.A 573/2022* under Order VII, Rule 11 of the CPC. In the application, the Defendant's case was that they had preferred a Post-Grant Opposition under the provisions of the Patents Act, 1970 against the Plaintiff's patent. They claimed that since the twelve-month period under Section 25(2) of the Patents Act, 1970 had not yet lapsed, therefore, Plaintiff's rights had not yet been crystallised. The said application was, however, not pressed by the Defendant and was disposed of on 10th May 2022 with the following order-

2. It is submitted by Mr. Akhil Sibal, Id. Senior Counsel for the Defendants that the present application is not pressed. Accordingly, LA. 573/2022 is disposed of as not pressed.

3. It is however clarified that the grounds of invalidity which the Defendants have taken in the post-grant opposition are permitted to be raised as defences in the suit, in accordance with law.

44. On 17th May 2022, this Court directed the parties to give a live demonstration of the two products. The said order reads as under :-

2. Hearing in the injunction application being IA No. 14842/2021 has commenced. Submissions have been heard in part.

3. Before proceeding further, this Court would like to have a demonstration of the two products/applications namely, 'Show and Tell' and 'Present and Record' which have been developed by the Plaintiffs and the Defendants respectively. For the said purpose, parties are permitted to install their respective products/applications on the computer of the Court or on a device, so that the same can be viewed, and the matter can be heard further.

4. Considering the nature of the products/applications, both the parties are directed to bring their respective source codes and place them in a sealed cover before the Court, for

consideration on the next date.

5. Mr. Akhil Sibal, Id. Senior Counsel appearing for the Defendants submits that the Defendants' product/application has several features, some of which are not being challenged in the present suit. If so, let a chart be filed as to the features which are alleged to be infringing by the Plaintiffs and those which are not.

45. On 24th May, 2022, an application bearing no. **I.A. 14842/2021** was filed by the Defendant expressing difficulty in filing the source codes. In respect of the said application, the following order was passed:-

2. As per the previous order dated 17th May 2022, both parties were directed to bring their respective source codes of their product/application and place them in a sealed cover before the Court for consideration on the next date, i.e. today.

*3. The Id. Counsel for the Plaintiff submits that the source code is ready for submission to the Court in a sealed cover. **An application is stated to have been filed by the Defendants under Section 151 this morning seeking further time of two weeks to bring and place on record the source code of Defendants' product in a sealed cover.** As per the said application, the claim of the Defendant is that they offer a gamut of features available on their application. One such feature is the 'Present and Record' feature which is impugned by the Plaintiff in the present suit.*

4. Further, Id. Counsel for the Defendant submits that the Defendants use monorepo repository, a software development strategy where code for many projects is stored in the same repository, to store the source code of the impugned feature, and that it would take, "a significant amount of time for the Defendants engineers to identify and isolate the part of the source code that is relevant to the alleged feature of the Defendants".

5. The Court has perused the application which has been handed over. Let the application be brought on record and be numbered.

6. In addition, the Court has today seen a presentation by the Plaintiff and the Defendants of their respective products/applications. After viewing the same, it is directed that the Defendants shall file the entire source code relating to their product without separating the same and themselves identifying the relevant parts. It is made clear that the source code of the Defendants' product shall not be modified for the purpose of filing. The source code shall be filed in respect of all segments of the Defendant's product which contain the 'Present and Record' feature. This shall be done in a sealed cover.

7. This Court intends to refer the source codes belonging to the two products/applications to an expert for examination, who shall keep the source code confidential. Therefore, it is directed that the said source code shall be placed before the court on the next date of hearing. The source code may be filed by both the parties in electronic form, if the same is bulky.

8. It is made clear that if the source code is not filed by the said date or produced on the said date, adverse inference would be liable to be drawn against the Defendants.

46. Subsequently, both the parties have filed their Expert reports. After perusing the same, the following order was passed on 30th May 2022:-

6. The source code has been submitted by Id. Counsels on behalf of both the Plaintiff and the Defendant. Mr. Saikrisbna, Id. Counsel for the Defendants submits that the source code has been filed by the Defendants in terms of the orders passed by this Court vide order dated 17th October 2022.

7. However, before referring the same to an independent expert, since there are two expert reports on record by Dr. Vivek Kapoor and Dr. Ben Bederson which can be examined, it is directed that the said two experts shall join the proceedings on the next date of bearing either virtually or physically.

8. The source codes, which are filed, are taken on record and the same shall be kept in a sealed cover in a safe place

by the Registrar (Original) and shall be sent to the Court on the next date of hearing.

9. The accounts of sales/ users/ downloads of the Defendants' online product 'CANVA', since August, 2020 when the feature 'Present and Record' was incorporated by the Defendants, shall be placed on record by an affidavit by 15th July, 2022. The said data shall include the data regarding free subscriptions and free downloads.

10. At this stage, the said information shall be filed in a sealed cover by Id. Counsel for the Defendants.

47. In the written statement, following grounds have been raised by the Defendant: -

- a) The plaint is liable to be rejected due to the pendency of the Post-Grant Opposition under the Patents Act, 1970.
- b) The Report of the Independent Expert of the Defendant shows that the Patent is invalid and is not infringed.
- c) The filing of the present suit is an instrument of coercion to realise exorbitant licensing terms from the Defendant.
- d) The Plaintiff has failed to established infringement, as some of the features of the suit patent are absent in the impugned product. All the elements of the Plaintiff's product are not present in the Defendant's product.
- e) The Defendant argue that the Plaintiff's product-by-product comparison of their invention with the impugned product is misleading. They argue that the correct test for infringement is to compare the claims of the asserted patent with the features of the allegedly infringing product.
- f) That the suit patent is invalid due to prior arts [D1-D9]. The prior art cited are as follows:

- i. **D1:** US 2008/0126943 titled “System and method for recording a presentation for on-demand viewing over a computer network”
 - ii. **D2:** US 2014/0123014 titled “Method and system for chat and activity stream capture and playback”
 - iii. **D3:** US 2011/0161834A1 titled “Systems and Methods for Restoring and Recreating a Live On-Line Session”
 - iv. **D4:** “Loom”, dated 14th June 2018.
 - v. **D5:** “AutoAuditorium”, dated December 2002
 - vi. **D6:** Microsoft PowerPoint Version 2016, released on 22nd September 2015
 - vii. **D7:** Rebecca Krosnick’s Master thesis titled as “VideoDoc: Combining Videos and Lecture Notes for a Better Learning Experience”, published in the year 2015
 - viii. **D8:** A paper based on a mobile app called StoryKit titled “Sharing Stories “in the wild”, published on 1st July 2013
 - ix. **D9:** A paper titled “A comparison of Tiled and Overlapping Windows”, published on 1st April 1986
- g) The suit patent relates to an algorithm and/or a computer program *per se*. This type of subject matter is not patentable under Section 3(k) of the Patents Act, 1970. The claims are not supported by any underlying constructional features. Instead, they are simply a series of rules or instructions that can be executed on any general-purpose computer.
- h) The claims are insufficient and the disclosure is unclear. The Plaintiff has failed to provide the details necessary to practice the suit patent, and that which has been disclosed is insufficient and ambiguous. There

is no clarity in the specification regarding the terms “authoring module”, “player module”, etc.

i) The Defendant enjoys global reputation and is among world’s most innovative companies.

48. Although the written statement, which is 240 pages long, includes all of the abovementioned defences, for the purposes of the present interim application, submissions which were recorded contemporaneously when made by Id. Counsel in Court, are being considered, to take a *prima facie* view, at this stage, in the matter.

49. In the Replication, the Plaintiff has controverted the Defendant’s stand, and has relied upon the PCT application filed by the Defendant for their product containing the feature ‘*Present and Record*’. According to the Plaintiff, inclusion of this feature as a part of the Defendant’s PCT application proves infringement. The Plaintiff also relies upon various statements made by the Defendant in the Post-Grant-Opposition proceedings, and the statements made by their Experts in their reports to argue that all the essential elements of the Plaintiff’s product were contained in the Defendant’s product. It has also distinguished the prior arts, especially D6 [Microsoft PowerPoint 2016 version] cited by the Defendant.

Report filed by the Defendant’s Expert Dr. Benjamin B. Bederson

50. Both parties have relied upon their Expert reports, which deserve to be considered at this stage. The Defendant filed the First Report, which again relies upon the same prior arts which are cited in the Defendant’s written statement. The emphasis is on the following prior arts-

- a) **D4**: A video based on a Product called “*Loom*”, dated 14 June 2018.
- b) **D5**: A video based on “*AutoAuditorium*”, dated December 2002.

51. In so far as infringement is concerned, the Defendant's Expert states in para 208 of the First Report as under:-

“As set forth in this report, it is my opinion that the Canva products accused of infringement of the '726 patent by RxPrism do not meet all of the elements of any independent claim. My analysis shows that none of the independent claims have been fully implemented in Canva's product. The gaps of independent claims will also be read into the dependent claims which cannot be read or interpreted in isolation.”

52. The Defendant's Expert claims that the Defendant's Canva product with the **'Present and Record'** feature does not have the following features:-

- a) Communication module
- b) Call-to-Action user interface
- c) Configuration interface

53. On the basis of the above, the conclusions of the Defendant's Expert are as under-

“223. Based on my own analysis and survey of documents provided to me or researched by me, and referred to in this report, I conclude the following:

- i. I have reviewed the RxPrism '726 patent in detail and have also reviewed technical documents including patents and publications existing prior to the priority date of that patent. In my assessment, the inventions claimed in the '726 patent cannot be considered to be new or unique in view of the prior art existing before the priority date of said patent.*
- ii. The inventions claimed in the '726 patent would have further been obvious to a technical person/expert in the technical domain of the patent, in view of the vast amount of prior art literature existing before the priority dates of said patent.*

iii. *The patents in dispute claim inventions that are at best implemented as software/computer programs/algorithms/rules or set of instructions and do not offer any particular efficiency in that software or through any algorithms.*

iv. *I have also reviewed the mapping performed by RxPrism of its claims vis-à-vis Canva's product and found the same to be inadequate and incorrect having several lacunae and inconsistencies.*

Report filed by Plaintiff's Expert Dr. Vivek Kapoor:

54. The Plaintiff's Expert states that the Plaintiff's patent has 4 features:
- a) ***Picture-in-Picture technology***: According to the Plaintiff's Expert, the patent claims and specification describe "interactive content with picture-in-picture overlay video" as a unique feature of the invention.
 - b) ***Call-to-Action user interface***: The Call-to-Action user interface is a novel feature that allows users to interact with the interactive content.
 - c) ***Rapid content development and sharing the same in no time***: The patented technology enables anyone to create promotional, informative content anytime, anywhere, in minutes, without complex objects.
 - d) ***First user can change already created/stored interactive content without re-recording second media***: This feature provides best user experience. It enables first user to change already created first media without bothering second user. According to the Expert, this has tremendous technical effect as none of the existing prior arts can perform this function.
55. The Plaintiff's Expert reviewed the prior art documents, and stated that they did not solve the same problems posed by D1, D2, D3, D5, as the suit patent. He also relied on claim mapping by the Plaintiff, and the PCT application of the Defendant to argue that the absence of the communication

module as claimed by Defendant's Expert, is incorrect. In fact, the communication module in the Defendant's product is clearly depicted in the PCT application itself. The Plaintiff's Expert has also distinguished the prior art documents with the Plaintiff's product.

The supplementary report of Dr. Bederson dated 26th July, 2022

56. In this report, the Defendant's Expert claims that the use of layers is common in the case of software development relating to such programs and tool kits. The Expert claims that the Defendant's product does not have three layers. The Call-to-Action user interface does not exist as a separate sandwich layer. The PIP overlay is not moveable in Defendant's product. He then seeks to distinguish between the PCT application filed by the Defendant with the product feature in Defendant's product.

Analysis

57. The pleadings and the reports which have been filed in this case, along with the prior art documents are quite voluminous in nature. The Defendant has cited several prior art documents in the pleadings and in the reports. However, in the course of submissions, the Defendant's case on invalidity of the Plaintiff's patent has been primarily on the basis of Microsoft PowerPoint 2016 Version. The fulcrum of the Defendant's case, in response to the injunction application, is that of non-infringement. Bearing in mind this position, the Court proceeds to consider the application for interim injunction at the *prima facie* stage.

58. The Defendant's Canva product is available to anyone on the internet. It is admitted in the pleadings that the Defendant's product is also available for Indian customers. The Defendant's product has a wide range of features.

However, the present suit is only concerned with one particular feature, i.e. the '**Present and Record**' feature in the Defendant's Canva product. In order to demonstrate how the Defendant's product works, the Plaintiff has filed a video presentation to show the manner in which the Defendant's feature can be used to describe market leading to purchase/other actions in respect of a product. A perusal of the video which shows the actual manner in which the Defendant's impugned features can be implemented, reveal the following steps:-

| S.No. | Feature of the product |
|-------|---|
| 1. | Selection of slides (media) |
| 2. | Clicking of present and record button i.e. the second media holder |
| 3. | Go to the recording studio |
| 4. | Set up the camera and micro phone |
| 5. | Start recording the video |
| 6. | Uploading of video to second media and the first media |
| 7. | Creation of a link i.e. URL |
| 8. | Copying of the link and pasting in the browser |
| 9. | Final content created |
| 10. | Add of Call-to-Action button on the content |
| 11. | Adding of an element which could be configured in any form including as buy now |
| 12. | These elements are editable and changeable |

59. The Plaintiff has also attempted to demonstrate not just the manner in which the Defendant's '**Present and Record**' feature functions, but also tried to establish identity by showing the manner in which the Plaintiff's product '**My Show and Tell**' compares with the Defendant's '**Present and Record**' feature. For the present, however, the Court is merely focusing on the Defendant's product feature in comparison with the claims of the patent specification, rather than comparing the two products directly.

The test of infringement:

60. The manner in which infringement is to be assessed has been the subject matter of several decisions. In *Raj Parkash v. Mangat Ram Chowdhury* [AIR 1978 Delhi 1], the 1d. Division Bench of this Court considered the issue in a case where the Plaintiff was a producer and marketer of a toy called a 'viewer', which used a 35 mm. medially cut positive film to display pictures through a lens. The Plaintiff had obtained a patent for this invention. It was alleged that the Defendant infringed on their patent by manufacturing and selling similar film strip viewers in the market. The Defendant claimed that they were only sellers of film strip viewers, not manufacturers. They also argued that the process used by the Defendant to print four pictures on a cine standard frame of 35 mm. film, and then cut it into two halves was not an invention but a common knowledge among photographers. The Court held that there was infringement of the Plaintiff's patent, and observed as follows:

"25. The patented article or where there is a process then the process has to be compared with the infringing article or process to find out whether the patent has been infringed. This is the simplest way and indeed the only sure way to find out whether there is a piracy. This is what was done in the hair-pin case, above-referred to, and is, indeed, always done. Unessential features in an infringing article or process are of no account. If the infringing goods are made with the same object in view which is attained by the patented article, then a minor variation does not mean that there is no piracy. A person is guilty of infringement if he makes what is in substance the equivalent of the patented article. Some trifling or unessential variation has to be ignored. There is a catena of authority in support of this view.

We need not cite all those cases which were brought to our notice at the Bar. Suffice it to quote the words of Lord Denning, M. R. in Beecham Group Limited v. Bristol Laboratories Ltd. and another, 1967 (16)

R.P.C. 406 (12) :-

“The evidence here shows that in making hetacillin in the United States the defendants use a principal part of the processes which are protected here by the English patents. The importation and sale here is prima facie infringement.

*“There is a further point. **A person is guilty of infringement, if he makes what is in substance the equivalent of the patented article.** He cannot get out of it by some trifling or unessential variation. On the evidence as it stands, there is ground for saying that hetacillin is medically equivalent to ampicillin. As soon as it is put into the human body, it does, after an interval, by delayed action, have the same effect as ampicillin. In these circumstances, I think there is a prima facie case for saying there was an infringement. The process is so similar and the product so equivalent that it is in substance the same as ampicillin.”*

*26. We have seen the viewers marketed by the defendants and the viewers produced by the plaintiff. The viewers marked and kept on record as (1), (1A) Mecorama and a fourth viewer are definitely objects produced by piracy of the plaintiff's patent. **The defendants have made certain variations in its viewers but these are unessential; and what the defendants market is substantially the same thing, as was conceived by the plaintiff. By trifling variations if the effect obtained by the defendants is the same, and we hold that it is the same, then according to the rule enunciated in the Ampicillin case, referred to above, there is a clear piracy. The idea of the plaintiff which is a novelty is clearly infringed.** In any case, the infringement is admitted by defendants*

1 and 2. We have dealt with this matter in detail because the defendant No. 3 has put in appearance at the last stage but does not admit infringement. Therefore, we hold that there is clear infringement of the plaintiff's patent, which we have delineated above."

61. The principles governing patent infringement have also been considered, and settled by the Id. Division Bench in ***F. Hoffman La Roche v. Cipla [2016 (65) PTC 1 (Del)]*** as under:

"67..

(xiv) At the beginning of an infringement action the Courts in the United States conduct what is known as a "Markman hearing" to define the scope of the claims or to throw light on certain ambiguous terms used in the claims. Although this is not technically done in India but functionally most Judges will resort to a similar exercise in trying to understand the scope and meaning of the claims including its terms. In the case of (52 F.3d 967 also 517 US 370) Herbert Markman Vs. Westview the Courts held that an infringement analysis entails two steps:-

(a) First step is to determine the meaning and scope of the patent claims asserted to be infringed.

(b) Second step is to compare the properly construed claim with the device accused of infringing."

62. Further, in ***Sotefin SA v. Indraprastha Cancer Society and Research Centre (2022:DHC:595)***, the Plaintiff owned a patent for a device called a "Silomat Dolly" used for horizontal transfer of motor vehicles in automated mechanical car parks. The Plaintiff entered into agreements with Company No. 1, under which the said company was obligated to keep the know-how and technology of the Silomat Dolly confidential. However, it was found that another Company No. 2, operated and managed by Company No. 1, was using "Smart Dollies" for a car parking project. The Smart Dollies were imported

by the Defendants from a company in China. The Plaintiff claimed that the Smart Dollies infringed the suit patent, and that all Defendants were acting in connivance. The Court held that for determining the question of infringement, the non-essential or trifling variations or additions in the product would not be germane, so long as the substance of the invention is found to be present. The Id. Single Judge of this Court observed as follows:

“32. [...] For patent infringement analysis, comparison of elements of the suit patent’s claims is to be done with the elements/ claims of the infringing product. On comparison, there can be a case of non-literal infringement, where each and every component of patent specification is not found in the infringing products. In other words, all the elements of a claim may not entirely correspond in the infringing product, as has been pointed by the experts, in the instant case. However, it does not inevitably mean that there can be no infringement. It is the pith and marrow of the invention claimed that is required to be looked into, and we do not have to get lost into the detailed specifications and do a meticulous verbal analysis which the parties have engaged into the Court.

33. The critical question is whether the elements not found in the Smart Dollies, are essential or not, so as to construe an infringement. For determining the question of infringement, it must be borne in mind that the non-essential or trifling variations or additions in the product would not be germane, so long as the substance of the invention is found to be copied. Pure literal construction is not be adopted, rather, doctrine of purposive construction should be applied. The court shall also apply Doctrine of Equivalence to examine if the substituted element in the infringing product does the same work, in substantially the same way, to accomplish

substantially the same result.”

63. Therefore, in a patent infringement suit, the broad settled position is –
- a) That the claims have to be construed in a purposive manner. On the basis of the claims of the patent specification the Defendant’s product is to be compared for assessing infringement;
 - b) In the process of comparison, trivial variations would not matter and the Court has to assess if the Defendant’s product is producing the same effect or is ‘*equivalent*’, to the invention claimed and disclosed in the Patent.
 - c) The comparison between the Plaintiff’s product and the Defendant’s product can only lend support for the purposes of understanding of the technology and the features of the two products. However, the Product Vs. Product comparison shall not be determinative of infringement. It is the Granted Claims Vs. Product comparison that is determinative of patent infringement.

64. The Defendant’s case both during oral submissions, and through the Expert reports of Dr. Bederson is that all the elements of the Plaintiff’s product are not present in the Defendant’s product. For the said purpose, the Defendant has relied upon the following chart based on the Essential Features as identified by the Plaintiff in their Replication on page nos. 58 to 61

| # | <i>Admitted Essential Features/Inventive Steps of Claim 1 and Claim 39 of the Suit Patent (see Convenience file page nos. 125-128/ Replication page nos. 58 to 61)</i> | <i>Presence in Canva</i> | <i>Difference between the Defendant's product and the Essential feature/Inventive Step.</i> |
|----|--|--------------------------|---|
| A1 | <p>“... interactive content <u>in layered presentation</u> to retain Interactive user experience...”</p> <p>As per the plaintiffs, the background and foreground layer are separate layers with the call to action user interface sandwiched / in-between so one component could be edited without editing the other. Thus, evidently, there are 3 layers [background foreground and sandwiched layer], all separate and distinct.</p> | Absent | <p>Patent evidently has 3 separate layers- background layer, foreground layer and a sandwiched layer, each of them being separate. This sandwiched 3rd layer is NOT present in the Defendants product. Canva only has 2 layers the background layer [first media] and foreground layer [second media].</p> <p>Also present in Prior Art [e.g. MS PPT 2016 (D6), Parasnis (D1), Keen (D2)]</p> |
| A2 | <p>“...First media content as interactive content...”</p> | Present | <p>Also present in prior art [e.g. MS PPT 2016 (D6), Parasnis (D1), Keen (D2), Shafdar (D3)]</p> |
| A3 | <p>“... First media visual content can be interacted by second user while playing interactive content”</p> | Present | <p>Also present in Prior Art [e.g. MS PPT 2016 (D6), Parasnis (D1), Keen (D2), Shafdar (D3)]</p> |
| A4 | <p>“... Picture in picture second media as layered presentation...”</p> <p>Admittedly, this picture-in-picture second media visible in the form of a smaller insert window in the foreground 2nd layer is defined as being a movable window which is movable through haptic interaction.</p> | Absent | <p>Defendants Canva product does not have a picture-in-picture second media visible in the form of a movable window. The alleged movement shown by Plaintiffs was not movement but merely expansion of the second media window and, that too, is a feature of the Firefox browser and not the Defendants Canva product.</p> <p>Also present in Prior Art [e.g. MS PPT 2016 (D6), Parasnis (D1)]</p> |

| | | | |
|----|--|---------|---|
| B5 | <p><i>"First media can be changed for already recorded and stored interactive content from interactive content module"</i></p> | Present | <p><i>Also present in prior art [e.g. MS PPT 2016 (D6)]</i></p> |
| C6 | <p><i>"Content... Configured through "Configuration Interface" which loads already configured interactive content settings of stored interactive content..."</i></p> <p><i>As per the patent, a separate configuration interface is needed to create the CTA button present as a sandwiched 3rd layer. Mandatory presence of this separate configuration interface to create the CTA button in the sandwiched 3rd layer is also borne out from the Plaintiffs comparison of its own 'My Show & Tell App and Defendant's Canva product.</i></p> | Absent | <p><i>The Defendant's product does not have a separate configuration interface to configure the call-to-action (CTA) button present in the sandwiched 3rd layer. On the other hand, the CTA feature Defendant's product is a part of the 1st Media itself, rather than a separate layer.</i></p> <p><i>Also present in Prior Art [e.g. MS PPT 2016 (D6), Parasnis (D1), Keen (D2), Shafdar (D3)]</i></p> |
| C7 | <p><i>"...call-to-action user interface button are enabled (as per interactive content settings data) and displayed only while Rendering and playing as a part of the interactive content"</i></p> <p><i>This means that the CTA button is enabled and displayed ONLY when the viewers sees the final presentation. In other words, the CTA button in the suit patent is NOT enabled and displayed during the authoring of the first media</i></p> | Absent | <p><i>Since the CTA feature of Defendant's CANVA product is a part of the first media, it is fully enabled and displayed NOT ONLY while rendering and playing (that is on the viewer side) but also while authoring the first media. On the other hand, the CTA feature is not visible according to the Patent, in the first media.</i></p> <p><i>Also present in Prior Art [e.g. MS PPT 2016 (D6), Parasnis (D1), Keen (D2), Shafdar (D3)]</i></p> |

65. A perusal of the above chart shows that as per the Defendant, the features described as A2, A3 and B5 are present, whereas the features A1, A4, C6 and C7 are stated to be absent. Thus, out of seven features, as per the Defendant, three features are present and four features are absent. The features which the Defendant claims are absent in its product are:

- a) **A1** - “... *interactive content in layered presentation to retain Interactive user experience...*”
- b) **A4** - “... *Picture in picture second media as layered presentation...*”
- c) **C6** – “*Content... Configured through "Configuration Interface" which loads already configured interactive content settings of stored interactive content...*”
- d) **C7** – “...*call-to-action user interface button are enabled (as per interactive content settings data) and displayed only while Rendering and playing as a part of the interactive content*”

66. After perusing the manner in which the Defendant’s product functions, insofar as A1 and A4 are concerned, it would be incorrect for the Defendant’s to argue that their product does not have a layered presentation or a PIP second media. A bare perusal of the Defendant’s product would show that the feature of PIP exists. However, the absence of this feature is argued on the basis that it is not in the form of a moveable window. The question whether the window is moveable or not, is irrelevant insofar as the Plaintiff’s product is concerned. The product is focused on the existence of two media *i.e.* the first, and the second media in the form of a PIP. The movement is not an essential feature of the Plaintiff’s product, but the fact that the first and second media is integrated in a manner as to sync the audio with the video and the image is essential. The syncing of the audio, video and the image clearly exists in the

Defendant's product. Thus, the distinction that the Defendant seeks to draw is of no consequence when judging the core of the Plaintiff's product.

67. Insofar as C6 [*"Content... Configured through "Configuration Interface" which loads already configured interactive content settings of stored interactive content..."*] and C7 [*"...call-to-action user interface button are enabled (as per interactive content settings data) and displayed only while Rendering and playing as a part of the interactive content"*] are concerned, the Defendant's argument is that there is no separate configuration interface for the Call-to-Action button in the sandwiched layer.

68. A perusal of the video showing the functioning of the Defendant's product would reveal that the Call-to-Action element can be superimposed on any of the two layers, or even a new layer can be created. The mere fact that the said feature is importable as an element in the Defendant's product, onto the first layer or the second layer, or even in between would mean that the same would read onto the claims of the suit patent. The Defendant cannot escape infringement on the basis of the location of the Call-to-Action button. The effect of the Defendant's product is the same as contemplated in the patent. After the merging of the first and the second media, some action can be taken by the viewer or the consumer, which is enabled both in the Plaintiff's and in the Defendant's product. The Defendant's characterisation of the configuration interface into a mere Call-to-Action button is itself misplaced. The action that can be taken by the consumer or viewer could be in any form, either for buying a product or for adding a comment or for sending a query. Depending upon the application and implementation, the said element can be added both in the Plaintiff's and Defendant's product. Thus, the mere non-existence of a sandwich layer would not obviate the

infringement, inasmuch as by applying the doctrine of equivalence, the functionality of both the Plaintiff's and the Defendant's product is almost identical. Insofar as C7 is concerned, the same is almost identical to C6 and has been dealt with above.

69. The above analysis and the distinctions being sought to be made by the Defendant, which are clearly absent, is also borne out by the First Report, that concluded that not all the elements of the Plaintiff's suit patent exist in the Defendant's product. The clear inference derived is that several of the elements of the Claims of the suit patent exist in the Defendant's product. This fact is also admitted in the written statement which is extracted below:-

*“(b) Incorrect Claims - mapping. No infringement as **some features of the claims of IN '726 are absent** in impugned product.*

24. In context of the Claim-mapping in the Presentation, the Plaintiffs claim at page 91 of Suit paperbook that “As per our understanding, ALL the limitations of claim 1 are mapping explicitly on the product ...” and at page 105 that “As per our understanding, ALL the STEPS of claim 39 are mapping explicitly on the product ... ” Thus, not only as per settled law but as per Plaintiffs' own case, infringement is established only if ALL the limitations/STEPS of the relevant claims viz. claim 1 and claim 39 are present in the impugned product. In other words, the allegation of infringement will fail even if one of the limitations I STEPS is absent from the impugned product.

*25. **As explained in detail below, there is no infringement as ALL the limitations or elements of the claim 1 are not present in the impugned product.** Some of the limitations/ elements of claim 1 are absent in the impugned product. Further, claim 39 of IN '726 is a system claim with same*

features as claim 1 (which is a method claim). Since some limitations/ elements of the claim 1 are absent from the impugned product, for the same reasons, infringement of claim 39 is also unsubstantiated and does not arise”.

70. From the decisions extracted above, and after analysing the claimed features and the Defendant’s product it is clear that the highlighting of differences between the patented claims and the Defendant’s product is an attempt to distract the Court from the overall identity. A comparison of the claims and the Defendant’s product would establish the opposite. The said claiming mapping of the claims with the identified features is set out below:

| MAPPING OF PATENT CLAIMS WITH DEFENDANT’S PRESENT AND RECORD FEATURE IN CANVA | | | |
|---|--|--|---------------------|
| S.No. | Claims | Features & Steps as shown in the comparative video | Defendant’s Product |
| 1. | <p>Claim 1: “provide one or more first media (1161) in the first media holder (202) in the background”</p> <p>Claim 39: “providing (1002) one or more first media (1161), in the first media holder (202) in the background by one or more first users (102) by using one or more first user devices (104) through an authoring module (106);”</p> <p>Claim 41: “The method (1000) as claimed in claim 39, wherein the step of providing (1002) further comprises the step of adding one or more first media (1161) from local or remote media library as a plurality of first media (1161) in the background by one or more first users (102) by using one or more first user devices (104).”</p> | Selection of slides (media) | Present |

| | | | |
|----|---|--|---|
| 2. | <p>Claim 1: “provide one or more second media (1162) in the second media holder (204) as foreground picture-in-picture overlay and/or as segmented display by one or more first users (102) by using one or more first user devices (104)”</p> <p>Claim 39: “providing (1004) one or more second media (1162), in the second media holder (204) as foreground picture-in-picture overlay and/or as segmented display by one or more first users (102) by using one or more first user devices (104) through the authoring module (106);”</p> | Clicking of present and record button i.e. the second media holder | Present |
| 3. | <p>Claim 39: “capturing (1006), by one or more first user devices (104) used by one or more first users (102), plurality of first media (1161) slides navigation changes and/or screen pointer movements and/or screen marker animation through interactivity recorder in sync with timeline of the one or more second media as interactivity data and/or cue points as per the first user’s (102) haptic interaction while recording one or more second media (1162) in plurality of segments or playing one or more second media (1162) through the authoring module (106)”</p> | Go to the recording studio + haptic interaction | Present, without the haptic interaction |
| 4. | <p>Claim 40: “The method (1000) as claimed in claim 39, wherein the step of providing (1002) further comprises the step of capturing one or more first media (1161) with/without camera and microphone of the one or more first user devices (104) as a plurality of first media (1161) in the background by one or more first users (102) by using one or more first user devices (104).”</p> | Set up the camera and micro phone | Present |
| 5. | <p>Claim 39: “capturing (1006), by one or more first user devices (104) used by one or more first users (102), plurality of first media (1161) slides navigation changes and/or screen pointer movements and/or screen marker animation through interactivity recorder in sync with timeline of the one or more second media as interactivity data and/or cue points as per the first user’s (102) haptic interaction while recording one or more second media (1162) in plurality of segments or playing one or more second media (1162) through the authoring module (106);”</p> | Start recording the video | Present |

| | | | |
|----|---|---|---------|
| | <p>Claim 44: “The method (1000) as claimed in claim 39, wherein the step of capturing (1006) further comprises the step of capturing the plurality of first media (1161) navigation changes and/or screen pointer movements and/or screen marker animation as an interactivity data and/or cue points as per the one or more first user’s (102) haptic interaction with the plurality of first media (1161) while recording one or more second media (1162) or playing one or more second media (1162)”</p> | | |
| 6. | <p>Claim 39: “storing (1008), by one or more first users (102) by using one or more first user devices (104) , one or more first media (1161), one or more second media (1162), with or without cue points, and/or interactivity data as interactive content, along with an interactive content settings, within an interactive content module (116) as network-based resource; ... loading (1012) associated one or more first media (1161) as plurality of first media (1161) slides in the background and one or more second media (1162) as foreground picture-in-picture overlay, by the player module (108) configured to have an interactive content player (110) with call-to-action user interface; and”</p> <p>Claim 46 (read with Claim 39): “The method (1000) as claimed in claim 39, wherein the step of storing (1008) further comprising the steps of: configuring plurality of interactive content settings (1164) by one or more first users (102) by using one or more first user devices (104); and storing as network-based resource along with associated interactive content (1165).”</p> <p>Claim 50 (read with Claim 39): “The method (1000) as claimed in claim 39, wherein the step of loading (1012) further comprises the step of loading associated interactive content settings (1164).”</p> | Uploading of video to second media and the first media — intergration | Present |
| 7. | <p>Claim 39: “sharing (1010) interactive content (1165), by one or more first users (102) by using one or more first user devices (104) through communication network (118) with one or more second users (114) to access interactive content (1165)</p> | Creation of a link i.e. URL | Present |

| | | | |
|----|--|--|---------|
| | <p>through interactive content URL on their one or more second user devices (112) using a player module (108);”</p> <p>Claim 47: “47. The method (1000) as claimed in claim 39, wherein the step of storing (1008) further comprising the steps of: generating the interactive content (1165) access URL; and receiving the interactive content (1165) access URL by one or more first users (102) on their one or more first user devices (104).”</p> | | |
| 8. | <p>Claim 48: “48. The method (1000) as claimed in claim 39, wherein the step of sharing (1010) further comprises the step of posting the Interactive content (1165) and/or interactive content (1165) URL on any online platform and/or sharing over network-based communication platform or apps.”</p> | Copying of the link and pasting in the browser | Present |
| 9. | <p>Claim 1: “capture plurality of first media (1161) slides navigation changes and/or screen pointer movements and/or screen marker animation through interactivity recorder in sync with timeline of the one or more second media as interactivity data and/or cue points as per the first user’s (102) haptic interaction while recording one or more second media (1162) in plurality of segments or playing one or more second media (1162); and”</p> <p>Claim 2: “record the one or more first user’s (102) haptic interaction through interactivity recorder to move and animate the screen pointers, draw and render screen markers over particular one of the plurality of first media (1161) slides, while recording the one or more second media (1162) by using the one or more first user devices (104), in sync with timeline of one or more second media (1162) recording and save as interactivity data and/or cue points; process one or more first media (1161), one or more second media (1162) with or without cue points, associated interactivity data and store them as interactive content (1165) within interactive content module (116) as network-based resources; configure interactive content settings (1164) of created interactive content and store it as network-based resource within the interactive content module (116); and receive the interactive content (1165) URL through</p> | Final content created | Present |

| | | | |
|-----|---|--|---|
| | <p>communication network (118) and transmit to one or more second user devices (112) providing access to one or more second users (114).</p> <p>Claim 39: “rendering and playing (1014), by interactive content player (110), one or more second media (1162) and dynamically changing, displaying relevant first media (1161) from plurality of first media (1161) as per cue points and/or interactivity data in sync with second media (1162) timeline,”</p> <p>Claim 54: “The method (1000) as claimed in claim 39, wherein the step of rendering and playing (1014) further comprising the steps of: interacting and selecting one of the plurality of first media (1161) from the plurality of first media (1161) through the second user’s (114) haptic interaction; and playing the one or more second media (1162) from a particular time duration associated with the selected first media (1161) as per interactivity data (1163) and/or cue points”</p> | | |
| 10. | <p>Claim 10: “The system (100) as claimed in claim 1, wherein the interactive content player (110) is configured to: load the interactive content (1165) accessed through the interactive content URL from the interactive content module (116); and load associated interactive content settings (1164) to display information and enable the call-to-action user interface.”</p> <p>Claim 38: “The system (100) as claimed in claim 1, wherein configuring interactive content settings (1164) includes configuring call-to-action (408) button to enable second user (114) to access external web URL or share content or open and access another application or enable telephone call or network-based communication or text chat or video and audio call with one or more first user (102).”</p> | Adding of Call-to-action button on the content | Present, though called by a different name. |

| | | | |
|-----|--|---|---------|
| 11. | <p>Claim 23: “23. The system (100) as claimed in claim 1, wherein one or more second user devices (112) configured to allow second user’s (114) haptic interaction with one or more call-to-action (408) user interface button to access and view the associated content or external web URL or open and access another application or enable telephone call or network-based communication or text chat or video and audio call with one or more first user (102)”</p> <p>Claim 53: “The method (1000) as claimed in claim 39, wherein the step of rendering and playing (1014) further comprising the steps of: displaying a call-to-action user interface (408) of the associated interactive content (1165) on one or more second user devices (112); and accessing the call-to-action user interface (408) through the second user’s (114) haptic interaction to trigger the associated configured action to access external web URL or open and access another application or enable telephone call or network-based communication or text chat or video and audio call with one or more first user (102)”</p> | Adding of an element which could be configured in any form including as ‘buy now’ | Present |
| 12. | <p>Claim 1: “a player module (108) coupled with the one or more second user devices (112); “wherein the player module (108) configured to have an interactive content player (110) which comprises a first media container (402), a second media container (404), an interactive timeline interface (410), an interface to display additional information and a call-to-action user interface;” “wherein the interactive content player (110) configured to render and play (1014) one or more second media (1162) and dynamically changing, displaying relevant first media (1161) from plurality of first media (1161) as per cue points and/or interactivity data in sync with second media (1162) timeline.”</p> | Editable and changeable elements | Present |

In fact, the working of the Defendant’s ‘*Present and Record*’ feature when compared with the Claims would demonstrate that almost all the same steps therein are present in the Defendant’s product, thus, prima facie, establishing infringement.

Invalidity

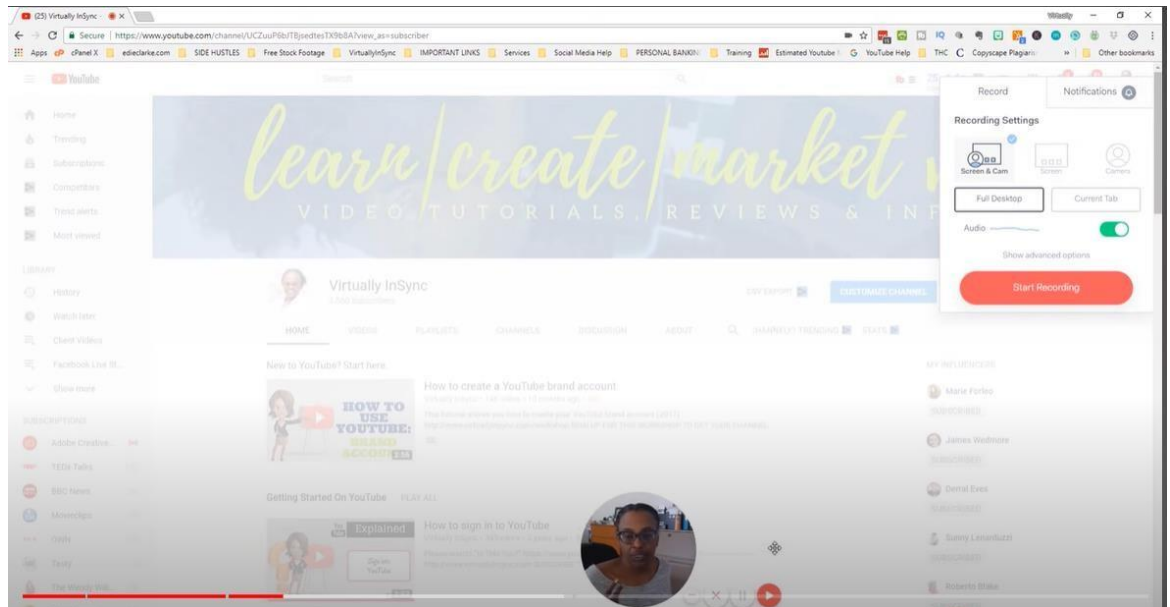
71. Insofar as the plea of invalidity is concerned, though various prior art documents are cited in the written statement, the focus of the Id. Counsel for the Defendant during oral submissions has been on Microsoft PowerPoint 2016 version. In the Expert reports, which have been placed on record, emphasis has also been on ‘Auto-Auditorium’ (D5) and on ‘Loom’ (D4). The latter two were not argued during the course of oral arguments. However, owing to the nature of the documents, this Court deems it necessary to discuss the said three prior arts.

Auto-Auditorium (D5)

72. The said prior art D5 is a recorded video showing the manner in which a PIP system can be used for explaining any presentation or content. Insofar as this prior art is concerned, the Plaintiff seeks to distinguish the same by arguing that it is an automated video editing and compositing system combining multiple sources. A perusal of the document relating to D5 in comparison with the Plaintiff’s patent would show that the technology disclosed in Auto-Auditorium is already discussed as prior art in the suit patent. In the Plaintiff’s patent and the product, the editing of two layered media platforms can be done independent of each other, whereas such a feature does not exist in Auto-Auditorium. Thus, D5 is clearly distinguishable on this aspect, and does not help the Defendant’s case.

The Loom System (D4)

73. As per the Defendant’s expert, Loom (D4) supports PIP and video content as shown below:



74. However, a closer examination would reveal that Loom can be used in respect of desktop screen recordings, as a Google Chrome extension for recording a video in respect of content displayed on the desktop. Thus, while the final screen appears like a PIP, the entire system is completely different from the Plaintiff's invention.

Microsoft PowerPoint ('PPT')- 2016 version (D6)

75. Microsoft PPT as is commonly known, is a program used for creation of PPTs and slides. Current version (2021 version) of the PPT allows users to record videos while moving slides. However, the PPT version that is relevant as prior art to this case, is the pre-2018 version. Therefore, the Defendant has rightly cited the 2016 version of PPT, and not the current version, as the suit patent's priority date is 19th December 2018.

76. A perusal of the presentation submitted by the Defendant would show that the manner in which the audio overlay has been made on each of the slides, is completely different from the Plaintiff's suit patent. In the PPT 2016 version demonstration provided by the Defendant, the audio is recorded

separately on each of the slides, and not while the slides presentation is running continuously with a separate overlaying of a video. This slide-by-slide content plus audio recording cannot be equated with the Plaintiff's product, which contemplates a separate first media and separate second media for running in a coordinated and synchronised manner. The working of the 2016 PPT, as shown to the Court, is different from the subject product as shown by the Defendant.

77. The Court has discussed all the three closest prior arts, ie. Auto-Auditorium, Loom, and 2016 version of Microsoft PowerPoint, and finds that the Plaintiff's patent is inventive over the said closest prior arts.

Defendant's pleadings and written statement:

78. The Court notes with some concern, the nature of the pleadings filed by the Defendant in the present suit. The Plaintiff is admittedly a startup, which has been incorporated in 2013 for providing technology products on online platforms, including to B2B organizations. The Plaintiff claims to have invented the patented technology, and applied for a patent in December, 2018. It has also created the product by the name '*My Show & Tell*', which is a system and method for enabling users to showcase their products. The Plaintiff has filed the information regarding working of the patented invention in Form 27 of the Patents Act, 1970, in January 2022. In the said Form, the Plaintiff claims to have earned revenue of approximately Rs. 3.29 crores from the patented invention. The Plaintiff also applied for grant of a patent in foreign countries and has already been granted two patents in the United States. Upon coming across the Defendant's '*Present & Record*' feature in their Canva product, the Plaintiff reached out to the Defendant. The correspondence would show that initially the Defendant reverted and asked

for the documents relating to the patent and claim mapping charts etc. After the same were not provided, the Plaintiff did not hear from the Defendant. Even during the course of the present suit, mediation was explored but was not fruitful. The Plaintiff has, thus, filed the present suit seeking an injunction restraining the infringement of the suit patent.

79. In the written statement, the Defendant has pleaded as under:

“C. UNSUBSTANTIATED CLAIMS OF PLAINTIFFS, ONGOING LICENSING NEGOTIATIONS & GRANT OF INJUNCTION WILL COERCE DEFENDANT INTO EXORBITANT TERMS OF LICENSE DISTORTING THE INDUSTRY LANDSCAPE

17. It is submitted that the entire correspondence is seemingly designed backwards by the Plaintiffs to ultimately go to the endgame of litigation and somehow secure an injunction to coerce the Plaintiffs into an exorbitant license. By way of the correspondences, the Plaintiffs appear to be interested only in creating a sham paper trail to tick the boxes to seemingly establishing their bonafide to the Hon'ble Court without readily giving technical and economic information to Defendant No 1. A bare perusal of the correspondence shows that there is extreme hesitancy on part of the Plaintiffs to share information while they seem to be pushing Defendant No 1 into a license. From first correspondence on 02.09.2021 to filing of suit on 12.11.2021 i.e., in less than 2.5 months, it appears that the strategy of the Plaintiffs is to harass and compel Defendant No 1 into a license which is a kind of hunt for low-lying fruit or the first scapegoat who can be arm twisted to accept exorbitant terms of license by the Plaintiffs and after which more potential licensees can be hunted by the Plaintiffs under further threats of injunctions jeopardizing entire businesses.

18. ***Threat of Injunction, coercing parties into licenses and abuse of patent rights:*** *The threat of an injunction, where the final goal of the Plaintiffs is to secure licenses for their technology, can be strategically used by unscrupulous Plaintiffs like the present one to arm twist innocent parties/ Defendants into settling for an exorbitant license fee and into accepting harsh licensing terms. Once the first such exorbitant license is obtained, it is used as a benchmark licensing rate and benchmark licensing terms for any future licenses of the Plaintiffs. This necessarily will distort the market and produce undesirable results by way of abuse of patent rights. Therefore, where the nature of suit is as the present one, it is imperative that no injunction be granted. Further, it can be no argument by the Plaintiffs that Defendants cannot question their patent or request for information for the simple reason that licensing negotiations have to be conducted bonafide and further the Patents Act provides even licensees the liberty to challenge validity of patents.”*

80. The language used in the above extracted portions of the written statement would show that the Defendant seem to have embarked on a journey of making wild allegations against the Plaintiff. Highlighted expressions such as “*sham paper trail to tick the boxes*” in the written statement are completely not called for in the context of a patent infringement action. The language used in the written statement is also be contrary to the permissible language in pleadings. In accordance with Order VIII, Rules 3, 4 and 5 of the CPC, written statement must be presented to the Court with detailed precision. Rule 3 provides that the Defendant must individually address each allegation in the Plaintiff's plaint, rather than stating a general denial. Rule 4 prohibits evasive denials, requiring the Defendant to directly respond to substantial allegations.

Further, Rule 5 dictates that all factual allegations, if not explicitly or implicitly denied or stated as unadmitted in the Defendant's statement, are deemed to be admitted. The mere fact that the Plaintiff may have obtained a patent for their technology, and have intimated about possible infringement by the Defendant, cannot be held against the Plaintiff.

81. In fact, in the spirit of Section 12A of the Commercial Courts Act, 2015 which requires Pre-Institution Mediation, the Plaintiff has merely explored the possibility of an amicable resolution of a patent infringement dispute prior to the institution of the present suit. Even from the correspondence, which has been perused by the Court, it does not appear that there has been any unreasonable stand or unfairness on behalf of the Plaintiff. In such a background, the use of expressions such as “coerce” “sham paper trail” “kind of hunt for low-lying fruit” “first scapegoat” “arms twisted”, “unscrupulous” “evasive” is plainly violative of the principles governing permissible language in pleadings. Such pleadings when read together appear to be libelous and slanderous, and an attempt to ensure that the Plaintiff is stopped from enforcement of its patent rights against not only the Defendant but other infringers if any.

82. The discussion above, and a perusal of the correspondence would demonstrate that the Defendant also was initially willing to engage with the Plaintiff and thus sought the patent documents, claim mapping charts etc. However, for whatever reasons, the Defendant thereafter appears to have had a change of mind. In this background, such use of unacceptable language in the written statement portrays an intention to create prejudice by smearing the Plaintiff.

83. The Plaintiff being a startup based out of India, cannot be blamed for

having contacted the Defendant No.1 - an Australian company, merely to caution the said company of existence of its granted patent which according to the Plaintiff was being infringed. At best it was an attempt for an amicable resolution prior to commencing litigation, as is now the requirement of law.

84. The Defendant also filed a Post-Grant Opposition to the Plaintiff's patent in which the recommendations of the Opposition Board have been published, and the same are stated to be in favour of the Plaintiff. However, since the proceedings in the Opposition are still pending before the Patent Office, this Court refrains from commenting on the conclusions of the Opposition Board.

Conclusion:

85. It is important to note that, during the course of submissions, apart from the Microsoft PowerPoint 2016, no other documents were even pressed by the Defendant to make out a case for invalidity. However, the Court has perused the three closest prior arts cited, and has found that the said three prior arts do not render the Plaintiff's patent vulnerable to invalidity. No credible or sustainable challenge has been raised, at this stage.

86. Insofar as non-infringement is concerned, the Defendant's Expert states that *all the elements* of the Plaintiff's patent do not exist in the Defendant's product. The chart extracted in paragraph 70 above clearly demonstrates that the so-called differences, which the Defendant seeks to rely upon are, in fact, non-existent. The functionality of the Defendant's product, which has been demonstrated to the Court, clearly falls within the claims of the suit patent and all the essential elements of the suit patent exist in the Defendant's product. In any event, the settled law on the test for infringement, as set out in *Raj Parkash (supra)* and *Sotefin SA (supra)* is that the trivial or minor differences

between the patented invention and the Defendant's product would not permit the Defendant to escape the infringement.

87. The conduct of the Defendant- initially claiming that the impugned technology is their own technology and for which they had also purportedly filed a PCT application as claimed in the reply, and then subsequently abandoning the PCT application during the pendency of the suit- is at least *prima facie* evidence of the Defendant's attempt to camouflage its stand. The filing of a PCT patent application is an attempt to claim a right on similar technology, and the abandoning of the same after the Plaintiff attempted to demonstrate through the PCT application actual infringement is a complete somersault. The date of filing of the PCT application is 26th May 2021. The Petitioners filed their rejoinder submissions relying on the PCT application as evidence of infringement on 31st January 2022. Thereafter, the PCT application was abandoned. Further, the Australian patent application bearing '2020901701' from which priority was claimed for the PCT application was also allowed to lapse in 2022.

88. In *Merck Sharp and Dohme Corporation and Ors. vs. Glenmark Pharmaceuticals, 2015 SCC OnLine Del 8227*, the Id. Division Bench of this Court while dealing the need to protect the rights of patentees has observed:

84. This leads us to the second principle, which is whether the Court can overlook the public interest in maintaining the integrity of the patent system itself, so that a legitimate monopoly is not distorted. As this Court noted in Bayer Corporation and Ors. v. Cipla, Union of India (UOI) and Ors., 162 (2009) DLT 371

"[i]f after a patentee, rewarded for his toil-in the form of protection against infringement- were to be informed that someone, not

holding a patent, would be reaping the fruits of his efforts and investment, such a result would be destructive of the objectives underlying the Patents Act."

*The Court must be mindful-especially in a case where a strong case of infringement is established, as here-there is an interest in enforcing the Act. It may be argued that despite this no injunction should be granted since all damages from loss of sales can be compensated monetarily ultimately if the patentee prevails. **This argument though appealing, is to be rejected because a closer look at the market forces reveal that the damage can in some cases be irreparable.** This in turn leads to the third principle, which is where an infringer is allowed to operate in the interim during the trial, it may result in a reduction in price by that infringer since it has no research and development expenses to recoup-most revenue becomes profit. The patentee however can only do so at its peril. Importantly, prices may not recover after the patentee ultimately prevails, even if it is able to survive the financial setback (or "hit") during the interim, which may take some time. The victory for the patentee therefore should not be pyrrhic but real. This irreparable market effect in cases of a sole supplier of a product has also triggered the decisions in SmithKline Beecham v. Generics, (2002) 25(1) IPD 25005 and Smithkline Beecham Plc (2) Glaxosmithkline UK Ltd. v. Apotex, [2003] EWCA Civ L37, where in granting an interim injunction, it was held that damages would not be an adequate remedy for the plaintiff since it was the sole supplier of the product. New entrants to the market would be likely to cause its prices to go into a downward spiral, and Smith Kline's prices may not recover even if it wins eventually. Equally, granting the injunction would not prejudice Glenmark to an equal extent since-if the suit is dismissed-it may return to a market that is largely variable.*

87. Ultimately, the Court must look to the combination of the three primary factors. A strong case can in some instances offset an equal balance of conveniences between parties. In this case, MSD has established a prima facie case of infringement, an interim arrangement that secures the interests of both parties and which maintains the public interest involved is available, which also ensures that the possibility of irreparable harm to the patentee is removed.

89. In the above background, this Court has also perused the affidavit of Ms. Kaehla Ford- an employee of Defendant No. 1 (*the deponent*), as directed to be filed vide order dated 30th May 2022 which reads as under:

“9. The accounts of sales/users/downloads of the Defendants’ online product ‘CANVA’, since August, 2020 when the feature ‘Present and Record’ was incorporated by the Defendants, shall be placed on record by an affidavit by 15th July 2022. The said data shall include the data regarding free subscriptions and free downloads.”

90. In terms of the above order, the deponent filed an affidavit dated 15th July 2022. According to the affidavit, Defendant’s Canva product is available in three forms: **‘Canva Free’**, **‘Canva Pro’** and **‘Canva for Enterprise’**. The latter two are subscription-based models, whereas the first one provides unpaid/free access to certain features on the Canva platform. Data has been filed in respect of all three forms indicating the number of users and net revenue from sales. The said data in the affidavit, which has been perused by this Court is not being reproduced in order to maintain Defendant’s commercial confidentiality. The affidavit reveals that the use of the **‘Present and Record’** feature by users of the Defendant’s Canva product is substantially low when compared to the total number of users and subscribers

of the Defendant's Canva product. Considering the fact that the Plaintiff has made out a case of infringement, especially by a mapping of claim charts, and that the Defendant has been unable to make a credible challenge to the Plaintiff's patent, the balance of convenience also lies in favour of the Plaintiff whose market opportunities for licensing and revenue generation can be completely eroded, if in case an interim injunction is not granted at this stage.

91. Considering the above discussion, the Court *prima facie* finds the case in favour of the Plaintiff and against the Defendant. The balance of convenience would also lie in favour of the Plaintiff. Further, if the injunction is not granted in favour of the Plaintiff, irreparable loss and injury would be caused to the Plaintiff.

92. In view of the above discussion, the Defendant shall stand restrained from making available their Canva product with the '**Present and Record**' feature, which infringes the Plaintiff's suit patent being IN360726 or use any other feature that would result in infringement of the Plaintiff's patent IN360726.

93. This Court also notices that the Defendant No.1 is an Australian company and the Defendant Nos.2 & 3 are the senior officials in the said company. The Defendant has no assets in India and also do not have physical business in India. Accordingly, considering the revenue and sales figures of the users who have used the '**Present and Record**' feature in India at least once as per the Defendant themselves, till 30th June, 2022 the Defendant No.1- Canva Pty. Ltd. is directed to deposit a sum of Rs. 50 lakhs with the Registrar General of this Court, which shall be kept in the form of a FDR, as a security for the Plaintiff's claims for past use of the infringing feature in India.

94. In the facts and circumstances of this case, and bearing in mind the

language used in the written statement against the Plaintiff, costs of Rs.5 lakh is awarded in favour of the Plaintiff- Rxpriism Health Systems Pvt. Ltd.

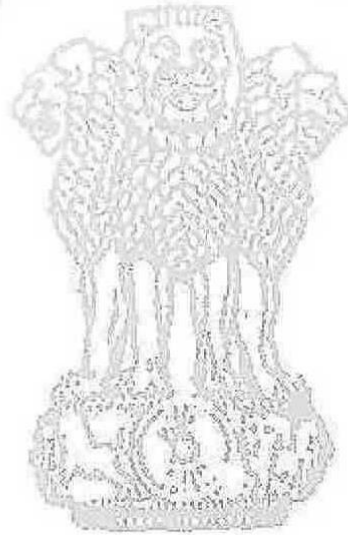
95. Needless to add, the observations in this order would not bind the final adjudication of the suit post-trial.

96. The present application is disposed of in the above terms.

**PRATHIBA M. SINGH
JUDGE**

JULY 18th, 2023
Mr/dn/am

HIGH COURT OF DELHI



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