

**IN THE HIGH COURT OF MIMOSA CITY**

**Ordinary Original Civil Jurisdiction**

**In the matter concerning the existence and protection of Intellectual Property  
and other allied rights pending a patent application**

Design-a-Flower (DAF) .....Plaintiff

V.

Floralmania Ltd (FLO).....Defendant

Memorial for the Defendant

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2. The Agreement on Trade Related Aspects of Intellectual Property Rights (1994)
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4. The Patent Co-operation Treaty (1984)

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1. *Bonito Boats Inc. v. Thunder Craft Boats Inc.* (1989) 489 U. S. 141
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2. Hill, J. "*Trade Secrets, Unjust Enrichment, and Classification of Obligations*" (1999) 4 Va.J.L.& Tech. 2
3. Hilton, W. "*What sort of Conduct Constitutes Misappropriation of a Trade Secret*" (1990) 30 IDEA 296
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5. Spanner, "*Trade secret versus Technological Innovation*", (1 984) 87 Tech. Rev. 12

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1. Ghatnekar, S and V. Mahadeven, "*WTO-TRIPS Agreement-Implications for Indian Biotechnology*", (1998)
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3. Jagger, M. "*Trade Secret Law*" (1 996) 4.. Mflgrini, "*Trade Secrets*", Volume 1
5. Ulmer E, "*Intellectual Property Rights and the Conflict of Laws*", 1978

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1. Black's Law Dictionary, 5th Ed
2. McCarthy's Desk Encyclopedia of Intellectual Property, Volume 2, 2nd ed. (1 995)
3. WIPO Publication No.433 (E), July 1999, '*Basic Facts about the PCT*'

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2. Betsch, D. "*Principles of biotechnology*", [www.biotech.iestate.edu](http://www.biotech.iestate.edu)
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## **STATEMENT OF JURISDICTION**

The Defendant submits that High Court of Mimosa City has the Ordinary Original Civil Jurisdiction to decide any legal or factual questions presented to it for adjudication in the instant case.

## **STATEMENT OF FACTS**

Mr. Anther, a national of the island nation of Pollen, invented a “*Molecular Manipulative Technology*”, which when applied to plants resulted in the creation of flowers with patterns/designs on their surface.

Realizing the commercial potential of his technology, Mr. Anther applied for a patent in Pollen as well as other countries via the Patent Co-operation Treaty. He set up a company, by the name of “Design-a-Flower (DAF)”, in order to launch the flowers in the market. Customers of DAF could order any desired design on a flower of their choice.

These flowers gained tremendous international popularity and became the latest fashion statement. Consequently the natural flowers that were once popular were now totally ignored.

The State of Mimosa, is a signatory to the PCT, and is a member of the United Nations and the World Trade Organization. It is also one of the countries in which Mr. Anther has applied for a patent.

Under the Mimosan patent law, which will govern the patent application in Mimosa, a patent cannot be granted for live forms or biological materials. Further it takes approximately six years before a patent is granted and no infringement action can be filed in the interim period. However, if a patent is granted, retrospective damages may be claimed from the date of publication of the patent specification in the official gazette, for opposition purposes, which takes four years. Thus no right accrues to the patentee under the Mimosan patent law, until four years have elapsed.

Mr. Stigma, a national of Mimosa, utilizes a series of designer plants to reverse engineer the technology. He applies this technology to plants and offers for sale a wider variety of products than DAF, through a company set up by him, under the name of “*Floralmania Ltd.* “ The company is a commercial success, catering to the varied preferences of the public.

DAF brings an action against FLO, before the High Court of Mimosa City, which has Ordinary Original Civil Jurisdiction to entertain the suit, alleging *inter alia* that in the light of the inevitability of the patent, the actions of FLO amount to unfair competition.

## **STATEMENT OF ISSUES**

The defendants humbly submit to this Honourable court the issues for consideration in the present case as enunciated hereunder: -

- I.** Whether the Plaintiff has a locus standi to institute proceedings before this Honourable court.
  - A.** No intellectual property right subsists in favour of the plaintiff presently.
  - B.** The application of the maxim “*Ubi jus ibi remedium*” precludes the court from conferring any relief in favour of the plaintiff in the instant case.
- II.** Whether the granting of the said patent is inevitable as alleged by the plaintiff.
  - A.** Under Mimosan law no patent can be granted for life forms/biological materials.
  - B.** The patent may be rejected on Socio-ethical grounds.
- III.** Whether Reverse engineering of the invention by the Defendant constitutes an act of “*Unfair Competition.*”
  - A.** The TRIPS Agreement makes provisions for the protection of “*undisclosed information*” and consequently protects against “*unfair competition.*”
  - B.** The said invention cannot be classified as “*undisclosed information*” within the meaning of Article 39 of the TRIPS Agreement.
  - C.** Arguendo, if the said invention may be classified as “*undisclosed information*” as defined in Article 39 of the TRIPS Agreement, reverse engineering of the same does not amount to “*unfair competition*”.

## **SUMMARY OF ARGUMENTS**

### **I**

The Defendant states and submits that the Plaintiff has no locus standi to institute proceedings before this honourable court under Mimosan Intellectual property laws.

“*Locus Standi*” denotes a right of a person to be heard by a court of law. This is exemplified by the Latin maxim *Ubijus ibi remedium* that may be explained as “*where there is no right there is no remedy.*”

Mr. Anther has applied for a patent on his invention, in Mimosa, via the Patent Co-operation Treaty (PCT), which in itself does not confer any international patent, or patent protection. It is left to the laws of the country to prescribe the substantive and procedural conditions of patentability.

Under Mimosan laws, it takes approximately six years, for a patent to be granted. Thus presently the invention is not protected by any patent. ‘*Patent pending*’ does not convey any legal ownership of the invention and where the inventor is unable to prove entitlement to a valid intellectual property right, imitation is the rule.

Thus in the absence of any legal right the plaintiff does not have “*locus standi* “ to approach this court.

### **II**

As a member of the WTO, the TRIPS Agreement is *ipso facts* binding on Mimosa. Under the TRIPS Agreement member states may deny patents to inventions so as to safeguard morality and protect against serious prejudice being caused to the environment.

The Molecular manipulative technology utilised by DAF involves the deliberate manipulation of their DNA molecules, which constitutes the very “*recipe*” of life. This raises various ethical questions, which will have to be considered before any patent is granted for such a technology. Thus the Defendant submits that the patent may be rejected on ethical grounds.

It is submitted that, the introduction of genetically manipulated plants into the eco-system would lead to environmentally disastrous consequences, Moreover, in the instant case the popularity of the Designer Flowers have resulted in the natural flowers being ignored.



The above factors constitute a serious and immediate threat to Mimosan biodiversity and thus it is contended that on the basis of the environmental exception carved out by the TRIPS Agreement, the patent may be rejected.

### III

Article 39 of the TRIPS Agreement, obligates members to protect undisclosed information, commonly known as trade secrets, so as to ensure effective protection against unfair competition as laid down in Article 10 *bis* of the Paris Convention. The TRIPS lays down 3 criteria for classifying undisclosed information the most important being the secrecy of the information. It is submitted that the said invention does not satisfy this criteria and consequently recourse cannot be had to Article 39 of the TRIPS Agreement.

Arguendo, if the invention may be classified as undisclosed information the defendant submits that reverse engineering of the same does not amount to unfair competition.

Trade secret law gives no remedy in cases where a competitor unmasks the trade secret by reverse engineering, since it protects only against theft. Reverse engineering ceases to be a successful defence, only when the item being reversed engineered itself, has been obtained by unfair or dishonest means.

In the present case there is no indication that FLO has utilised a wrongful or dishonest means to obtain the designer plants, which are being sold in the open market. Thus, reverse engineering of the designer plants does not amount to misappropriation of a trade secret and in consequence, the defendant submits that the Plaintiff is not entitled to any relief on grounds that the Defendant company has indulged in acts which are contrary to the principles of “*unfair competition*.”

## **BODY OF PLEADINGS**

I. The defendant submits that the Plaintiff has no locus Standi to institute proceedings before this honourable court under Mimosan Intellectual Property Law

1.1 “*Locus Standi*” denotes the existence of a right of an individual to have the court enter upon adjudication of an issue, brought before the court by proceedings instituted by the individual. Such an individual can be said to have a locus standi, when denies him a legal right.

1.1.1 This well established principle of law is enunciated by the Latin Maxim “*Ubi jus ibi remedium*”, which in common parlance means, “where there is a right there is a remedy<sup>1</sup>” and its logical converse, “where there is no right there is no remedy.”

### **IA. No patent right subsists in favour of the plaintiff presently.**

(i) *The Patent Co-operation Treaty does not confer International / National Patent:*

IA.1 The Patent Co-operation Treaty<sup>2</sup> (*hereinafter referred to as PCT*) essentially offers a worldwide system to simplify multiple filings of patent applications.<sup>3</sup> Thus it merely serves as a vehicle to facilitate the application procedure in cases where an inventor seeks a patent for his invention in several countries simultaneously.<sup>4</sup> However, the treaty does not provide for an international patent, since eventually each national/regional office decides what patents to grant for its own territory.<sup>5</sup> Thus the mere submission of an international application under the PCT per se, does not confer patent protection within the domestic jurisdiction of any of the member states of the union.<sup>6</sup>

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1 Black’s Law Dictionary, 5th Ed.

2 The Patent Co-operation Treaty (Modified in 1984)

3 Ulmer E. “Intellectual Property Rights and the Conflict of Laws” (1978) at Pg. 59

4 Ibid

5 PCT 1984, Art.27 (5)

6 ‘Basic Facts about the PCT’, WIPO Publication No. 433 (E), July 1999

(ii) Mimosan law does not confer any patent protection at the present stage:

IA.2 An application has been made by Mr. Anther to secure a patent on the molecular manipulative technology via the centralised application mechanism of the PCT.<sup>7</sup> Under the Mimosan patent law, which will now govern Mr. Anther's application, "*it takes 4 years for a patent application to be published and six years on an average for a patent to be granted.*"<sup>8</sup> Thus, presently, no patent exists in respect of the technology in Mimosa.

### **1 B. In the absence of a patent no right accrues in favour of the plaintiff.**

It is an established notion that '*public domain*' is the rule, and intellectual property, the exception to that rule.<sup>9</sup> By logical extension, in cases where the inventor is unable to prove entitlement to a valid intellectual property right, irritation is the rule.<sup>10</sup> '*Patent pending*' does not convey any legal ownership of the invention.<sup>11</sup>

IB.1.1 As aforesaid mentioned a patent is still to be granted under Mimosan law, which does not allow for the filing of an infringement action prior to the granting of a patent,<sup>12</sup> a principle that is in keeping with the established principles of patent legislation.<sup>13</sup> Consequently there is no intellectual property right under the patent laws, accruing in favour of the plaintiff presently, and thus the question of violation of the same cannot arise.

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<sup>6</sup> '*Basic Facts about the PCT*, WIPO Publication No. 433 (E), July 1999.

<sup>7</sup> Problem for the Annual Raj Anand Moot Court Competition on Intellectual Property Law, 2000, Para.3, Hereinafter referred to as 'The Problem'

<sup>8</sup> Ibid, Para. 8

<sup>9</sup> McCarthy's Desk Encyclopedia of Intellectual Property, 2<sup>nd</sup> ed. 1995

<sup>10</sup> Fisher's Stove Inc. v. All Nighter Stoves Inc. 626 F2d 193, 206 U.S.P.Q. 961-964 (1<sup>st</sup> Cir. 1980); Durham Industries Inc. v. Tomy Corp. 603 F2d 905-908, 208 U.S.P.Q. 10, 13 (2<sup>nd</sup> Cir. 1980)

<sup>11</sup> Hefter, L and P-Litowitz, 'What is Intellectual Property' ?, Internet [www.usinfo.state.govtproducts/pubs/lintellpp/](http://www.usinfo.state.govtproducts/pubs/lintellpp/):

<sup>12</sup> The Problem Para.8

IB.1.2 Thus, the Defendant states and submits that, the principle enunciated by the maxim *Ubi jus ibi remedium* denies to the plaintiff the *locus stands* to approach this court

## **II. THE DEFENDANT CONTENDS THAT THE PATENT FOR THE SAID PROCESS IS NOT INEVITABLE AS ALLEGED BY THE PLAINTIFF**

**II.I** It has been contended by the plaintiff that a patent will be the inevitable consequence of the patent application.<sup>14</sup> It is submitted, that merely because an invention satisfies the three criteria of patentability i.e. *novelty, non-obviousness and commercial usefulness*<sup>15</sup>, a patent need not inevitably follow.<sup>16</sup>

### **IIA. Mimosan law disallows the patenting of life forms and biological materials**

**IIA.I** An invention may be patented, either as a product or a process. A product patent is granted on the article or product, which is the new invention. On the other hand a process patent is granted on the process, which is used to manufacture a new product. A patent for a process also provides protection for a product in so far as it prevents others from marketing and utilising products, which are produced by virtue of the same patented process.<sup>17</sup>

**IIA1.1** In the instant case, granting a patent for the manipulative technology will, in effect amount to granting a patent for the “*designer flower*.” As Mimosan law precludes the patenting of these forms or biological materials,<sup>18</sup> it is submitted that there is a strong possibility that a patent will not be granted for the technology.

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<sup>13</sup> *Bonito Boats Inc. v. Thunder Craft Boats Inc.* (1989) 489 U.S. 141

<sup>14</sup> *The Problem*, Plaintiffs Prayer for Relief

<sup>15</sup> The Agreement on Trade Related Aspects of Intellectual Property Rights, Annex I C, Agreement Establishing the World Trade Organisation (WTO) concluded on April 15, 1994, Marrakesh, enforced on January 1, 1995, (hereinafter referred to as TRIPS Agreement), Art.27 (1).

<sup>16</sup> See The PCT, Art. 27 (5), ‘stating . . . . . any contracting state is free to apply, when determining the patentability of an invention ... other conditions of patentability...’

<sup>17</sup> Dr. Ghatnekar, S and V. Mahadeven, (1998), Chapter Three at Pg.58 “*WTO-TPIPS Agreement - Implications for Indian Biotechnology*” (1998), Chapter Three at Pg. 58

## **IIB. The patent may not be granted on social, ethical and environmental grounds.**

IIB.I Mimosa and Pollen are members of the World Trade Organisation (*hereinafter referred to as WTO*).<sup>19</sup> As members of the WTO, the TRIPS Agreement is *ipso facto* binding on both countries.<sup>20</sup> While attempting to enforce a uniform patent regime, the TRIPS Agreement allows member states to exclude from patentability inventions, to protect “*ordre public or morality, including human, animal or plant life or health or to avoid serious prejudice to the environment.*”<sup>21</sup>

### (i) The Molecular Manipulative Technology raises various Ethical Questions:

IIB.2 The Molecular manipulative technology utilised by DAF falls under the broad genre of biotechnology, which may be defined as, “*the commercial application of living organisms or their products which involves the deliberate manipulation of their DNA molecules.*”<sup>22</sup> Thus the process employed by the plaintiff company involves manipulation of DNA molecules, by which the shape, form and the number of flowers of a plant is able to produce can be altered.<sup>23</sup> Since DNA constitutes the very “recipe” of life<sup>24</sup> the technology in question has the effect of tampering with the very fundamentals of life and thus the manipulation of DNA molecules by scientists amounts to playing God.<sup>25</sup> This raises various ethical questions, which will have to be considered before any patent is granted for such a technology. Consequently the Defendant submits that the patent may be rejected on ethical grounds.

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<sup>18</sup> The Problem, Prayers of the Defendant

<sup>19</sup> The Problem, Clarification #4

<sup>20</sup> Agreement establishing The World Trade Organisation, (1994) Art.2 (2)

<sup>21</sup> TRIPS Agreement, Art.27 (2)

<sup>22</sup> Betsch, D. “*Principles of biotechnology*”, Internet: [www.biotech.iestate.edu](http://www.biotech.iestate.edu)

<sup>23</sup> Conear, D. “*Brave New Rose*”, Internet: [www.newscientist.com](http://www.newscientist.com)

<sup>24</sup> Betsch, D. “*Principles of biotechnology*” internet: [www.biotech.iestate.edu](http://www.biotech.iestate.edu)

<sup>25</sup> Rifkin, J. “*Return to Genesis of Eden?*” Extract from “Living in a GM World” Ns 31 October 1998 Internet: [www.newscientist.com](http://www.newscientist.com)

- ii) *There exists the real probability of environmental damage being caused due to the application of the molecular manipulative technology.,*

IIB.3 The conservation of biological diversity constitutes one of today's greatest challenges as environmental degradation worldwide has led to the extinction of plant species at a highly unprecedented rate.<sup>26</sup> Introducing genetically manipulated plants into the ecosystem would have the effect of destabilising the delicate natural balance of the ecology. Further, there exists the high possibility of the genetically modified plants cross pollinating with native plants leading to environmentally disastrous and unfathomable consequences.<sup>27</sup>

IIB.3.1 The appearance of a flower is crucial to attract insects, which are essential to the pollination process vital for the sexual reproduction of plants.<sup>28</sup> By introducing designs and thereby altering the surface appearance of flowers, there is a likelihood that the insects which are crucial to the pollination process may not be attracted to the so called "*space-age flowers*", resulting in the serious repercussions to the pollination process and by extension to the sexual reproduction of plants.

IIB.3.2 Moreover, in the instant case the Designer flowers owing to their success as a fashion statement have resulted in the natural flowers being ignored. This constitutes a serious and immediate threat to Mimosan biodiversity and thus it is submitted that, on the basis of the environmental exception carved out by the TRIPS Agreement<sup>29</sup>, the patent may be rejected.

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<sup>26</sup> Dr. Ghatnekar, S and V. Mahadevem, "*WTO-TRIPS Agreement - Implications for Indian Biotechnology*" (1998), Chapter Three at Pg.28

<sup>27</sup> Worldwide Forest / Biodiversity Campaign News, "*FrankenTrees: The Dangers of Genetically Modified Trees*" Internet: <http://forests.org/web/>

<sup>28</sup> Hubome, "*Functions of Flavonoids in Plants*" in Chem. and Blochem. of Plant Pigments (T. Goodvdm, Ed.) (1976) 2nd Ed., Vol. 1, at Pg. 737.

<sup>29</sup> NUPS Agreement, Art.27 (2)

### **III. THE DEFENDANT SUBMITS THAT REVERSE ENGINEERING OF THE SAID INVENTION DOES NOT AMOUNT TO UNFAIR COMPETITION.**

**IIIA The TRIPS Agreement makes provisions for the protection of “undisclosed information” and consequently protects against “unfair competition.”**

**IIIA.1** As aforesaid mentioned, as members of the WTO, the provisions of the TRIPS Agreement are binding on Mimosa.<sup>30</sup> The TRIPS Agreement makes it obligatory for members to adhere to the provisions contained in Article 1 through 12 and 19 of the Paris Convention, 1967.<sup>31</sup>

IIIAa.1.1 Article 39(1) of the TRIPS Agreement, obligates members to protect undisclosed information, so as to ensure effective protection against unfair competition as laid down in Article *10bis* of the Paris Convention.

IIIA.1.2 Art. *10bis* of the Paris Convention, in clause 2, defines unfair competition as *inter alia*, “any act of competition contrary to honest practices in industrial or commercial matters”

IIIA.1.3 According to Footnote 10 annexed to Art.39 of the TRIPS Agreement, “manner contrary to honest commercial practices” means “at least practices such as breach of contract, breach of confidence and inducement to breach and includes acquisition of undisclosed information by third parties who knew, or were grossly negligent in failing to know, that such practices were involved in the acquisition.”

IIIA.1.4 Thus Article 39 of TRIPS Agreement makes Article *10bis* of the Paris Convention more specific by settling the long debate as to whether offences against undisclosed information are matters of unfair competition.<sup>32</sup>

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<sup>30</sup> Memorial, Para IIB.1

<sup>31</sup> TRIPS Agreement, Art.2(1); Paris Convention refers to the “*Paris Convention for the Protection of Industrial Property 1967, Stockholm Act of 14<sup>th</sup> July 1967*”

<sup>32</sup> Spanner, “*Trade secret versus Technological Innovation*”, (1984) 87 Tech.Rev. at 12

**IIIB. The said invention cannot be classified as “undisclosed information” within the meaning of Article 39 of the TRIPS Agreement.**

i) Information has to meet certain criteria in order to qualify as “undisclosed information” under Art. 39 of the TRIPS Agreement:

IIIB.1 In order to classify information as “undisclosed”, the TRIPS Agreement provides for *inter alia*, that such information must be secret,<sup>33</sup> and that the person lawfully in control of the information has taken reasonable steps to keep the information secret.<sup>34</sup>

IIIB. 1. 1 “Undisclosed information” as utilized by Article 39 of the TRIPS Agreement is referred to as “trade secrets” in common parlance.<sup>35</sup> A Trade secret may be defined as *an item of information, commonly a customer list, business plan or a manufacturing process that has commercial value and that the firm possessing the information wants to conceal from its competitors in order to prevent them from duplicating it.*”<sup>36</sup>

IIIB. 1.2 Unlike other forms of intellectual property, trade secrets are not registered and are not creatures of statute.<sup>37</sup> The secrecy of an alleged trade secret is the most imperative factor to be considered, the basic premise being, if the information is secret others cannot copy it.<sup>38</sup>

ii) Non-compliance with the prerequisites set out in Article 39 of the TRIPS Agreement will -preclude the plaintiff from seeking protection on the basis of “undisclosed Information”:

IIIB.2 The alleged trade secret in the instant case would be the process employed by DAF to create the “*designer flowers*”. Consequently the trade secret will inhere in the final product,<sup>39</sup> the designer plants.

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33 TRIPS Agreement, Art.39 (2)(a)

34 *Ibid*, Art.39 (2)(c)

35 Internet: Official Website of the World Intellectual Property Organisation [www.wipo.org](http://www.wipo.org)

36 Jagger, M. “Trade Secret Law” (1996) § 3.02 at 3,30

37 Hilton, W. “What sort of Conduct Constitutes Misappropriation of a Trade Secret” (1990) 30 IDEA 296

38 *Supra* at note 1 1

39 *Breeze Corporation v. Hamilton Clamp and Stamping Ltd* (1961) 37 C.P.R. 155; *Wildwood Farm Services International (1975) Inc. v T. Clay Manufacturing Ltd. et al* (1978) 44 C.P.R. (2d) 157; Fox, “The Law of Trade Marks and Unfair Competition” 3rd Ed. At Pg. 655; Internet: [www.lawplusplus.com](http://www.lawplusplus.com) - “Reverse Engineering”



By offering for sale, in the open market, the product embodying the trade secret, DAF has voluntarily opened the product to scrutiny.

IIIB.2.1 Further there are no indications that DAF has taken any measures to protect their trade secret. In order to claim trade secret protection the plaintiff must *prima facie* prove that he has kept the claimed trade secret confidential.<sup>40</sup> This is usually determined by whether the plaintiff has made reasonable efforts to maintain secrecy.<sup>41</sup> The courts of equity will not support those who through their own actions cause their own confidential material to enter the public domain.<sup>42</sup>

IIIB.2.2 Dissemination of the product, in the open market, necessarily constitutes dissemination of the trade Secret<sup>43</sup> and without a proven trade secret there can be no action for misappropriation of the same.<sup>44</sup>

IIIB.2.3 Accordingly the Defendant submits that, in the instant case the conduct of the plaintiff has been such that information cannot attract nomenclature of “*undisclosed -information*,” as stipulated under Article 39 of the TRIPS Agreement and the Plaintiff is consequently barred from claiming any protection under the said Article.

**III C. In the alternative without prejudice to the above contention, arguendo, if the said invention may be classified as “*undisclosed information*” as defined in Article 39 of the TRIIPS Agreement, reverse engineering of the same does not amount to “*unfair competition*.”**

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40 *Jostens Incorporation v. National Computer System*, 318 N.W 2d 691, 704 (Mnn. 1982)

41 *Metallurgical Indus. Inc. v. Fourtek Inc.* 790F2d 1195,1199,1900,229USPQ945 (5<sup>th</sup> Cir. 1986)

42 Tettellbom, op.elt. (1982) Anglo-American Law Review 273 at 280; Hammond op.cit. (1976) N.Z.L.J 278

43 *Supra* at Note 11

44 *Electro Craft Corporation v. Control Motion Inc.* 332 N.W 2d 890, 897 (Mnn. 1983)

IIIC. 1 As a general rule, a competitor is free to use information obtained from or about its competition.<sup>45</sup> Trade secret law is an exception to that rule, an exception that hinges on two unique aspects of the tort: secrecy and misuse.<sup>46</sup> Thus trade secret protection does not foreclose discovery of the subject matter by fair and honest means.<sup>47</sup> The process of “*reverse engineering*”, where a product is fairly obtained, dismantled and analysed to find the hidden ideas and trade secrets that it contains will not constitute an improper means.<sup>48</sup>

IIIC.1.1 Reverse engineering may be defined as “*starting with the known product and working backwards to derive the process which aided in its development and manufacture.*”<sup>49</sup>

IIIC. 1.2 Reverse Engineering is a successful defence to allegations of misappropriation of a trade secret. If a person sells a product which encapsulates his secret and another obtains the product legitimately and reverse engineers it to extract the secret then that other person will not be liable under trade secret law if he uses those secrets in making his own products.<sup>50</sup>

IIIC. 1.3 Consequently, it is submitted that, trade secret law gives no remedy in cases where a competitor unmask the trade secret by reverse engineering, since it protects only against theft, and not against accidental loss or reverse engineering.<sup>51</sup> Reverse Engineering ceases to be a successful defence, only when the item being reversed engineered itself, has been obtained by unfair or dishonest means.<sup>52</sup>

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45 See Samuels, L and B. Johnson, “*The Uniform Trade Secret Act: The State’s Response*” (1990) 24 Cretghton L. Rev. 49, 52 (noting that *use of Trade Secret information is permissible if acquired through reverse engineering or independently*)

46 See Restatement (Third) of Unfair Competition, § 39 cmt. f (1988) (*requiring secrecy for a trade secret*), *Ibid* at § 40

47 *Kewanee Oil Co. v. Bicron Corporation* (1974) 416 US 470, 476; Davidson, S. and R. DeMay, “*Application of Trade Secret Law to New Technology - Unwinding the Tangled Web*” (1986) 12 Wm.Mtchell Rev. 579, 584-85; 1 Migrim, “*Trade Secrets*” 12.01

48 Kumagi, K. “*Japan Unfair Competition Prevention Law*”, Internet: [www.kipo.go.kr/html/eannsemi12.html](http://www.kipo.go.kr/html/eannsemi12.html); see also Hil, J. “*Trade Secrets, Unjust Enrichment, and Classification of Obligations*”, (1999) 4 Va.J.L.& Tech. 2; see also *Colony Corporation of America v. Crown Glass Corporation*, (1981) 430 N.E. 2d 225, 227 (111. App. Ct.), (Citing the general principle that when “*the secret is readily disclosed by the product itself, there is no trade secret.*”)

49 *Kewanee Oil Co. v. Bicron Corporation* (1974) 416 US 470, 476; see also *National Tube Co. v. Eastern Tube Co.* (1902) 3rd Ohio C.C.P, (n.s)459,462, aff’d (1903) 69 Ohio St. 560, 70 N.E 1127

50 *Supra* at note 41

51 Freidman, D, W.Landes and R.Posner, “*Some Economics of Trade Secret law*”, Intemet: [www.best.com/~ddfr/academic/non-comp/non-competition.html](http://www.best.com/~ddfr/academic/non-comp/non-competition.html)

IIIC. 1.4 In the present case there is no indication that FLO has utilized a wrongful or dishonest means to obtain the designer plants, which are being sold in the open market.” Thus, reverse engineering of the designer plants does not amount to misappropriation of a trade secret, and cannot be regarded as “*a practice contrary to honest commercial practices*. “ Consequently, the Defendant submits that, the Plaintiff is not entitled to any relief on grounds that the Defendant Company has indulged in acts, which are contrary to the principles of “*unfair competition*.”

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52 Technician Data Systems v. Curtis 1000 Inc. (1984) 224  
U.S.P.Q. 286 (Del.Ch)

51 The Problem, Paras 5, 10

## **PRAYER**

In accordance with the arguments and authorities presented herein, the Defendant respectfully requests this Honourable court to.

1. Declare that the Plaintiff does not have the *locus standi* to approach this Court on the basis of Mimosan Intellectual Property Law.
2. Declare that the patent is not inevitable as alleged by the plaintiffs
3. Declare that the actions of the Defendant company do not constitute acts of Unfair Competition
4. Dismiss the suit filed by the plaintiff and award the Defendants the costs incurred in the matter and any further relief that this court deems just and proper.