

9th SURANA & SURANA INTERNATIONAL TECHNOLOGY LAW MOOT COURT COMPETITION – 2010

26 – 28 February 2010



- ChipOn is a company involved in the manufacture of microchips for robots. It is based
 in the State of Inde. ChipOn was in active collaboration with Xilicon of the State of
 Yusa who is into research, development and production of ThinkR Robots which they
 claim can think on its own.
- 2. Knocked down versions of ThinkR are transported to ChipOn where crucial components were integrated. ChipOn's method is revolutionary as they use the GenX model, where the next step of growth or development is based on the previous step that contributes to the quantum growth. This is where the thinking Robots helps the next step of growth. Ideally the steps of the ThinkR are that of the growth of a human infant that learns by imitation. Genetic details of picked up identities (which is a closely guarded secret) are fed into the several microchips of ThinkR. The brain-chip architecture resembles and to a large extent imitates the human brain.
- 3. Though many of the feats of ThinkR are revolutionary, the results were not disclosed to the outside world. The foremost important aspect of ThinkR was its processing speed, as it was based on quantum computation. In this ThinkR exceeded human trait. The project cost was very high and ChipOn was beginning to face financial crunch. The beginning of economic slowdown added to its woes and liberal support from Xilicon was slowing down too. ChipOn decided it must make money to stay afloat and move further.
- 4. Chara the prime mover of ChipOn thought of a plan to lease ThinkR to business enterprises that uses enormous data that needed extraordinary processing of logical presumptions. Chara had Qboid in mind. Chara had earlier given some consultations to Mr. McQuinn of Qboid.
- 5. Chara Kumara popularly known as Chara was considered a genius by many in the computer realm. During his college days in Inde he had presented his views in many seminars and symposiums. But Inde being a developing nation could not properly utilize his talents. Chara completed his higher studies in Yusa and had worked for

- Xilicon. Later due to globalisation and the changed scenario of software revolution, Inde had come to the forefront as a clear leader in the filed of software development. Chara had returned to Inde and started his venture ChipOn which had active links with Xilicon. Xilicon clearly understands the strength of Chara and was fully aware of the abundant supply of skilled manpower at low cost in Inde.
- 6. Chara is the inventor of patent no 000789 for the chip architecture that is housed in brain-chip of ThinkR in Inde, Yusa and EU. His patent application for the software program for multiple exploitation of the brain-chip was pending in Yusa. Chara had assigned the brain-chip patent exclusively to Xilicon for an undisclosed sum of money, a major portion of which he had invested in ChipOn.
- 7. Qboid is one such company in Inde, which had an office in Yusa that develops business models based on enormous back-data provided by similar (of same category) industries. Qboid then gives time bound business models, which could safely work to the near-predicted time limit. Other businesses that copied the model would miserably fail while the target company would succeed.
- 8. Qboid had hit upon a novel idea that could turn into a very successful business model for investment in currency and futures that one cycle could hold good for a considerable length of time. The business model is for International trade. But to process the feed-data, it needed a computer that not only can quickly process enormous data but also think logically. McQuin had a meeting with Mr. Chara and they both came to an agreement for leasing ThinkR. Chara had customized ThinkR capabilities to process business data. A percentage of the income generated would be given to ChipOn that would be shared with Xilicon. There was no direct connection of Qboid with Xilicon.
- 9. McQuin had put a condition that he would use ThinkR and find out its capabilities before entering into a full scale agreement for sharing profit. Till such time, he would lease ThinkR for a flat some of money. If he did not succeed he would return ThinkR. Chara agreed to this condition. The lease agreement was signed between Qboid and ChipOn for a period of 2 years on 10 July 2003.
- 10. During the test McQuin found out that ThinkR was extraordinary. When he fed data of his earlier models to see if it could get the desired results. He found that ThinkR had

developed its own algorithm. It did not take his command directly. It had a multiple processing mechanism stationed at different parts of brain-chip. All his commands and inputs were taken in but the behavior rested on the commands given by brain-chip of ThinkR, which processed genetic data (past records of similar companies and the behavior of people and business results). It connected directly to all previously similar business entities and results which are either available or sought the data that it wanted by raising appropriate requests and gave its own conclusions. McQuin found that he had hit a gold mine. ThinkR not only can do easily what he had so far done but a million times better. He realized that he had no work but just to feed in data and ThinkR would generate ideas that produced useful, concrete, and tangible results.

- 11. McQuin after developing the model thought of maximizing the potential of his product. He wanted to patent his model. Since business-process models are not patentable in Inde (similar to Patent Act of India), he applied for patenting in Yusa and other countries on 10 May 2005 under PCT after obtaining necessary permission from Govt. of Inde. He had his product named Qbiz-plan.
- 12. Since Yusa Patent Act (similar to USA) required the name of the inventor in its application form, McQuin provided his name as the inventor. The model was like that of Enterprise Resource Programming (ERP), but much more versatile and multifaceted. It used the technology of Cloud Computing. It provided business templates if fed with appropriate data and future scenarios that delivered tailor made solutions to different industrial and business purposes that are global in nature. McQuin was awarded Patent grant in Yusa on 10 December 2007 (No. 1234567)
- 13. Qboid was very successful and soon was among top global business enterprise. McQuin was named businessman of the year 2008 by Business World a top corporate magazine that had readers all over the world. Qboid's fortunes went high. But McQuin was clever and he took most of the profit as royalty for his invented business model and shared the remaining with Qboid, ChipOn and Xilicon, which was minimal when compared to his. Chara was very upset with this but could not do anything and was biding for his time to strike back. But he needed money to keep ChipOn going and keep Xilicon's mouth shut.

- 14. At this point some problem cropped up with ThinkR. Qboid had to deliver a solution to MaxB, one of its best clients. As time was the most crucial thing in business solutions, McQuin went to Chara as he knew that he was the only person who could help in this.
- 15. Chara had to know the entire process to exactly pinpoint where the error had occurred. He found that ThinkR was technically sound and had no hardware problems. There was some logic that had sent ThinkR on to a loop. He had asked for the earlier business model data and the various links that fed data on to ThinkR. He asked McQuin the algorithm he supplied to ThinkR. McQuin was silent. But after much persuasion he spilled the beans that ThinkR generated its own business solutions based on its own logic with business data sequences provided by him. ThinkR is a truly thinking Robot.
- 16. After much thought Chara applied to YusaPTO for correction of inventorship of the patent No. 1234567 given to McQuin contending that McQuin had lied in his claim as the inventor of the business model but it was actually him who created ThinkR that generated business models. Yusa PTO issued notice to McQuin and Qboid citing sections 101 and 102 why action not be taken under Section 25.
- 17. It also questioned Chara about the patentability of his claim under Sections 101 & 102.
- 18. The representations of McQuin and Chara are before YusaPTO for hearing.

Teams to prepare representations on behalf of Chara (Applicant) &McQuin (Respondent)