

OVERVIEW OF INTELLECTUAL PROPERTY RIGHTS AND ITS SIGNIFICANCE

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IP/ IPR ??????????????????

The term **Intellectual Property** refers to creation of mind or the intellect.

Intellectual Property Rights (IPR)

- These rights are statutory rights and may be protected by law in the same way as any other form of property.
- They are governed in accordance with the provisions of corresponding legislations.
- They usually give the creator an exclusive right over the use of his/her creations for a certain period of time i.e., these rights allow the creators or owners to have the benefits from their works when they are exploited commercially.

IMPORTANCE OF IPR FOR EXPORTERS/IMPORTERS

Developing an Export Plan –

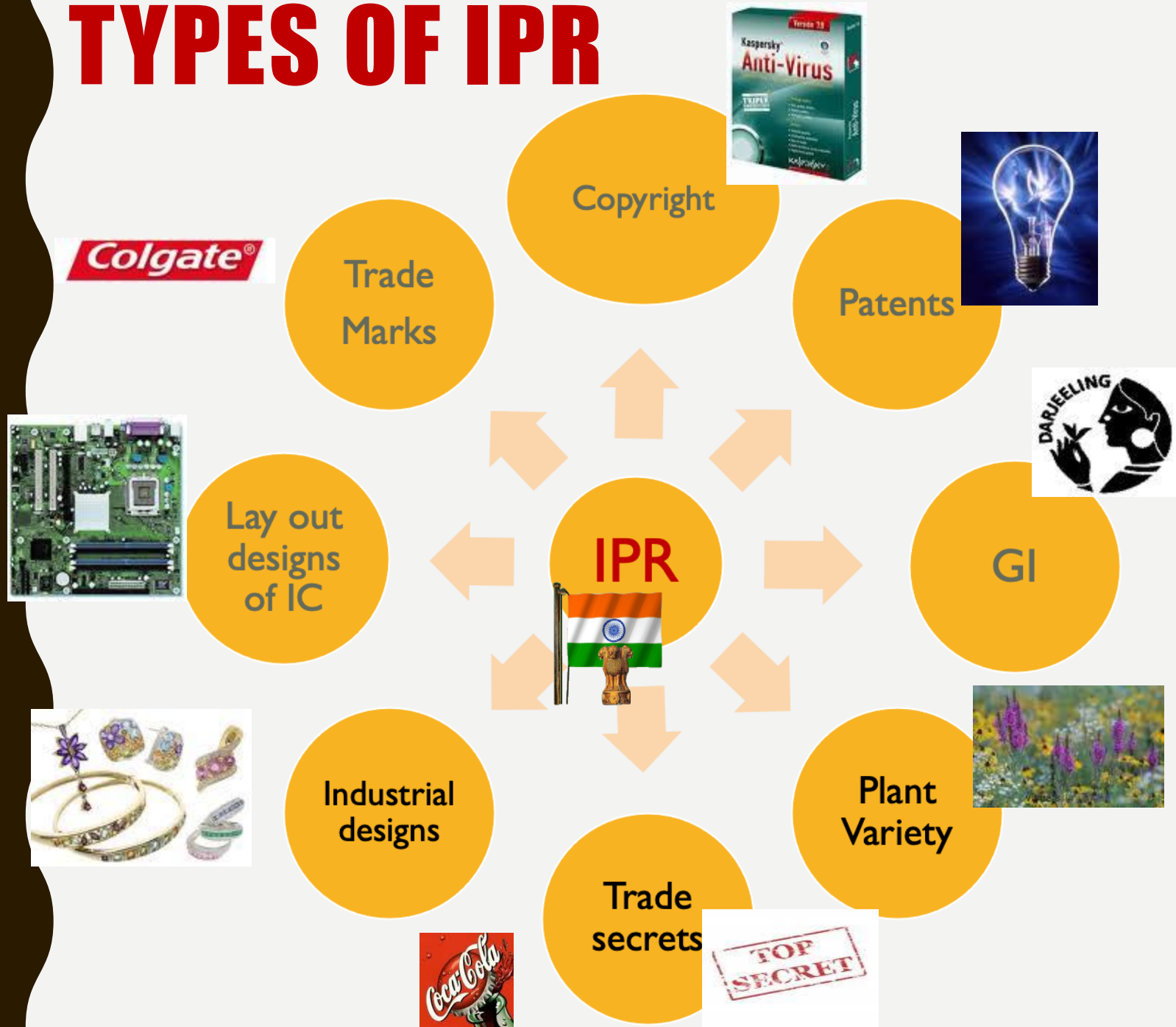
Any enterprise would go through the following plan:

- identifying appropriate export markets,
- estimating demand and market needs, - finding local partners and channels of distribution,
- adapting the product, its design, its brand or its packaging to the new market,
- negotiating and signing contractual agreements with export sales representatives, distributors, local partners, local manufacturers, licensees, etc.,
- determining prices for different export markets,
- budgeting export operation and raising funds,
- making transport arrangements for exports,
- advertising/marketing the product in the export markets,
- participating in trade shows or other events abroad.

INTERNATIONAL ORGANIZATIONS

World Intellectual Property Organization (WIPO) and the World Trade Organization (WTO) are the two main international bodies that administer and oversee international intellectual property obligations.

TYPES OF IPR



GOVERNING LAW

Governing Laws in India for IPR are as follows:

- Patents Act, 1970
- Trade Marks Act, 1999
- The Copyright Act, 1957
- The Designs Act, 2000
- Geographical Indications of Goods (Registration and Protection) Act, 1999
- Plant Variety and Farmers' Rights Protection Act, 2001
- Semiconductor Integrated Circuits Layout-Design Act, 2000

COPYRIGHT

- **It protects the expression of the idea and not the idea itself .,i.e., it is only when the work is put in some tangible form that it gets protected as an expression.**
- **Also protected through copyright and related (sometimes referred to as “neighboring”) rights are the rights of performers (e.g. actors, singers and musicians), producers of phonograms (sound recordings) and broadcasting organizations.**

SUBJECT-MATTER OF COPYRIGHT INDIAN PERSPECTIVE:

In India are:

- Original literary, dramatic, musical and artistic works
- Cinematographic films
- Sound recording



Section 2(o) literary work includes computer programs, tables and compilations including computer databases.



CRITERIA FOR PROTECTION

- Originality/Creativity
- Fixation

REGISTRATION OF COPYRIGHT

- It is not necessary to register a work to claim copyright.
- Acquisition of copyright is automatic and it does not require any formality. However, certificate of registration of copyright and the entries made therein serve as *prima facie* evidence in a court of law with reference to dispute relating to ownership of copyright.

Note: Both published and unpublished works can be registered.

TERM OF PROTECTION

The period of protection for a copyright varies for works of different forms. For example:

- The duration of the copyright for literary works is lifetime of the last surviving author/ creator and **60 years** after his death.
- For films and sound recording it is **60 years** from the date of the first publication.
- For broadcasting, it is **25 years** from the date when the program was first broadcasted.

WHERE TO FILE

- The office of the Registrar of the Copyrights is housed at B-2/W-3 Curzon Road Barracks, K.G.Marg, New Delhi-110 001.
- There are no branch offices of the Registrar of Copyrights.
- Website: <http://copyright.gov.in/>

REMEDIES

Both Civil and Criminal

Civil remedies

- Injunction
- Damages/compensation can be claimed
- Accounts and handing over of profits
- Appointment of local commissioner by the court for custody/ sealing of infringing material / accounts
- Application under order 39 rule 1 & 2 of the CPC for grant of temporary / ad interim ex-parte injunction

Criminal remedies

Punishment varies from offence to offence, but punishment may vary between six months to max three years imprisonment with or without fine.

CASE STUDY- ROGERS VS. KOONS



FACTS

Photographer Art Rogers shot a photograph of a couple holding a line of puppies in a row and sold it for use in greeting cards and similar products. Internationally, renowned artist Jeff Koons in the process of creating an exhibit on the banality of everyday items, ran across Rodgers' photograph and used it to create a set of statues based on the image. Koons sold several of these structures, making a significant profit. Upon discovering the copy, Rodgers sued Koons for copyright. Koons responded by claiming fair use by parody.

OUTCOME

The court found the similarities between the 2 images too close, and that a "typical person" would be able to recognize the copy. Koon's defense was rejected under the argument that he could have used a more generic source to make the same statement — without copying Rogers' work. Koons was forced to pay a monetary settlement to Rodgers.

TRADEMARKS



- Trademarks are distinctive signs, used to differentiate between the goods or services of one person/enterprise from those of another.
- Trademarks may be one or a combination of words, letters, and numerals. They may consist of drawings, symbols, three- dimensional signs such as the shape and packaging of goods, audible signs such as music or vocal sounds, fragrances, or colors used as distinguishing features.



TRADEMARKS

Trademarks Includes:

➤ Product Trademarks:

are those that are affixed to identify goods.

➤ Service Mark:

it identifies and distinguishes the source of a service rather than a product. For example hotels, restaurants, airlines, tourist agencies etc.

TRADEMARKS

Trademarks Includes

➤ **Collective Mark :**

They are owned by an association, such as, an association representing accountants or engineers, whose members use the mark to identify themselves with a level of quality and other requirements set by the association.

➤ **Certification Mark:**

Certification marks, such as the Wool mark are given for compliance with defined standards, but are not confined to any membership.

TRADEMARK

What do the symbols ® and ™ mean?

The ® symbol is used once the trademark has been registered. The ™ symbol denotes that a given sign is used by the holder as a trademark (whether this sign is the subject of a trademark application or not).



CRITERIA FOR REGISTRATION

The legal requirements to register a trademark under the Act are:

- The selected mark should be capable of being represented graphically (that is in the paper form).
- It should be capable of distinguishing the goods or services of one undertaking from those of others.
- It should be used or proposed to be used mark in relation to goods or services.

RIGHTS CONFERRED BY REGISTRATION

- The owner of the trademark gets the exclusive right to the use of the trademark and to obtain relief in respect of infringement of the trademark
- Registration of trademark is **not** compulsory but, by registering it offers better legal protection for action of infringement.

TERM OF PROTECTION

Term of protection of a trademark is **ten years**, which may be renewed for a further period of ten years on payment of prescribed renewal fees.

WHERE TO FILE

Trade Marks Registry is located in

- Mumbai (Head Office)
- Delhi
- Kolkata
- Ahmadabad
- Chennai

- Website: <http://www.ipindia.gov.in/>



M..mp3



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LEGAL REMEDIES AGAINST INFRINGEMENT AND/OR PASSING OFF

Under the Trade Marks Act, both civil and criminal remedies are simultaneously available against infringement and passing off.

Civil remedies

- Injunction
- Damages/compensation can be claimed
- Accounts and handing over of profits
- Appointment of local commissioner by the court for custody/ sealing of infringing material / accounts
- Application under order 39 rule 1 & 2 of the CPC for grant of temporary / ad interim ex-parte injunction

Criminal remedies

- Punishment varies from offence to offence, but punishment may go up to max three years imprisonment or fine or both.





HW's Product



3M's Product



INDUSTRIAL DESIGN

An industrial design refers to the ornamental or aesthetic feature of an article. The design may consist of three-dimensional features, such as the shape or surface of an article, or of two-dimensional features, such as patterns, lines or color.



US D701,813 S
"Front face of a vehicle wheel"



US D641,884 S
"Shoe upper"



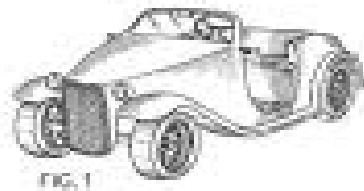
US D707,034 S
"Sock"



Des. 415,188
"Eyeglasses"



US D442,517 S
"Golf cart"



US D606,285 S
"Garment"



INDUSTRIAL DESIGN

- Industrial designs are applied to a wide variety of products ranging from technical and medical instruments to watches, jewelry, and other luxury items; from house wares and electrical appliances to vehicles and architectural structures; from textile designs to leisure goods.
- The design must appear and **should be visible** on the finished article, for which it is meant. Thus, any design in the inside arrangement of a box, money purse or almirah may not be considered for design protection.

CRITERIA FOR REGISTRATION

A Design should :

- Be new or original
- Not be disclosed to the public any where by publication in tangible form or by use or in any other way prior to the filling date,
- Be significantly distinguishable from known designs or combination of known designs.
- Not comprise or contain scandalous or obscene matter.
- Be applied to an article and should appeal to the eye.
- Not be contrary to public order or morality.

EXCLUDED SUBJECT MATTER

Industrial design protection is provided only for the aesthetic feature of a product, not for its functional design

- Mere mechanical contrivance.
- Buildings and structures.
- Parts of articles not manufactured and sold separately.
- Variations commonly used in the trade.
- Mere workshop alterations of components of an assembly.
- Mere change in size of article.
- Flags, emblems or signs of any country.
- Layout designs of integrated circuits.

TERM OF PROTECTION

- The duration of the registration of a design is initially **ten years** from the date of registration, but in cases where claim to priority has been allowed the duration is ten years from the priority date.
- This initial period of registration may be extended by further period of **5 years** on request.

CASE STUDY- RECKITT & COLEMAN (RCI) VS. RENKIT INDUSTRIES (RIL)

- This is an example from a decision in the Indian High court.
- RCI filed a case in the Kolkata High Court in India against RIL on the grounds of infringement of their design registered 'harpic' bottle.
- The principal basis of the allegation was the inclined nozzle besides allegation of passing off
- The defendant RIL argued that the nozzle angle is solely dictated by function and hence is not a subject matter for a design registration. It also stated that other competing products in the market also have same/similar angle of the inclined nozzle.
- The court refused injunction.



GEOGRAPHICAL INDICATIONS



INDIAN PERSPECTIVE

A geographical indication (GI) is a name or sign used on certain products which corresponds to a specific geographical location or origin (e.g.. a town, region, or country). The use of a GI may act as a certification that the product possesses certain qualities, or enjoys a certain reputation, essentially attributable to their geographical origin.

- **It is an indication**
- **It originates from a definite geographical territory.**
- **It is used to identify agricultural, natural or manufactured goods (Like handicrafts)**
- **The manufactured goods should be produced or processed or prepared in that territory.**
- **It should have a special quality or reputation or other characteristics**

GEOGRAPHICAL INDICATIONS

- The protection is granted to GI through registration. The registration of GI is not granted to any individual. It is a national property, it is granted to associations of persons or producers or an organization or authority representing the interest of the producers of goods.
- Some of the examples of the Indian GI are Kashmir Saffron, Darjeeling Tea, Nagpur Orange, Kolhapuri Chappal, salem silk, coimbatore wet grinder, Scotch Whisky etc
- Approx. 370 products have been registered under GI

GI PRODUCTS FROM KARNATAKA-

APPROX. 48 AS OF JUNE 2023 REGISTERED (483 FROM INDIA)

- Mysore Silk
- Mysore Agarbathi
- Bidriware
- Channapatna Toys & Dolls
- Mysore Rosewood Inlay
- Mysore Sandalwood Oil
- Mysore Sandal soap
- Kasuti Embroidery
- Mysore Traditional Paintings
- Coorg Orange
- Mysore Betel leaf
- Nanjanagud Banana
- Mysore Jasmine
- Udupi Jasmine
- Hadagali Jasmine
- ilkal Sarees
- Kolhapuri Chappal – Karnataka & Maharashtra
- Ganjifa cards of Mysore (Karnataka)
- Navalgund Durries
- Karnataka Bronze Ware
- Molakalmuru Sarees
- Monsooned Malabar Arabica Coffee
- Monsooned Malabar Robusta Coffee
- Coorg Green Cardamom
- Dharwad Pedha
- Devanahalli Pomello
- Appemidi Mango
- Kamalapur Red Banana
- Sandur Lambani Embroidery
- Byadagi Chilli
- Udupi Mattu Gulla Brinjal
- Kinhal Toys
- Bangalore Blue Grapes
- Malabar Pepper- Shared between Karnataka, Kerala & TN
- Kari Ishad Mango- Ankola
- Indi Lime- Bijapur

TERM OF PROTECTION

The registration of a GI shall be for a period of **ten years** but may be renewed from time to time for an unlimited period by payment of the renewal fees.

WHERE TO FILE

The Geographical Indication Registry is located in
Intellectual Property Building,
G.S.T. Road, Guindy, Chennai - 600 032

Website: <http://www.ipindia.gov.in/>

SEMICONDUCTOR INTEGRATED CIRCUITS LAYOUT DESIGN

Indian Perspective:

The semiconductor Integrated Circuits Layout Design Act, 2000, provides protection for semiconductor IC layout designs. SICLD Act is a sui-generis (one of its kind) specifically meant for protecting IPR relating to Layout-Design (Topographies) of Semiconductor Integrated Circuit.

SEMICONDUCTOR INTEGRATED CIRCUITS LAYOUT DESIGN

The subject of Semiconductor Integrated Circuits Layout Design has two parts, namely:

➤ *Semiconductor* *Integrated* *Circuit*

Semiconductor Integrated Circuit means a product having transistors and other circuitry elements, which are inseparably formed on a semiconductor material or an insulating material or inside the semiconductor material and designed to perform an electronic circuitry function.

➤ *Layout-design*

The layout-design of a semiconductor integrated circuit means a layout of transistors and other circuitry elements and includes lead wires connecting such elements and expressed in any manner in semiconductor integrated circuits.

CRITERIA FOR REGISTRATION

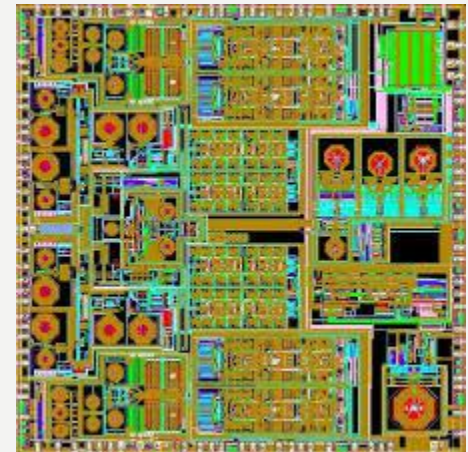
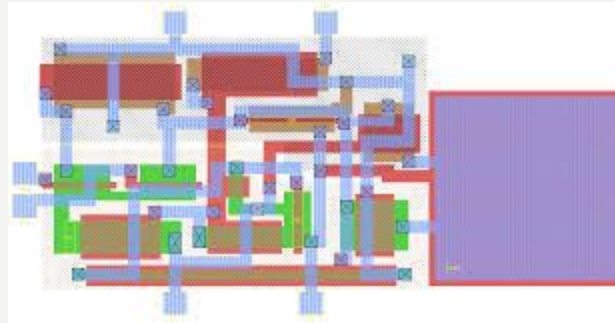
For an IC design to be registered, the following criteria should be met:

- Original
- Distinctive and
- Capable of distinguishing from any other lay-out design.

Note: " Only the Layout-Design " - which essentially is the mask layout-floor planning of the integrated circuits can be registered under this Act 2000 and not the other information like any idea, procedure, process, system, program stored in the integrated circuit, method of operation etc.

TERM OF PROTECTION

This registration is valid for a term of ten years from the date of filing an application for registration or from the date of first commercial exploitation anywhere in the world, whichever is earlier.



PLANT VARIETIES PROTECTION

Plant protection was envisaged for plant varieties mainly to increase the agricultural quality

CRITERIA FOR PROTECTION

Indian Perspective

For a variety to be eligible for registration, it must meet the criteria of

- novelty,
- distinctiveness,
- uniformity and
- stability (NDUS),

TERM OF PROTECTION

The duration of protection of registered varieties is different for different crops which are as below:

- For trees and vines - **18 years**.
- For other crops - **15 years**.
- For extant varieties - **15 years** from the date of notification of that variety by the Central Government under section 5 of the Seeds Act, 1966.

Note: Any variety which is already in the market, but not for more than a year, can be applied for registration as a new variety. Other older varieties can be registered as Extant Variety.

WHERE TO FILE

Plant Varieties and Farmers' Rights Authority has been established and is located at:

NASC Complex,
DPS Marg,
Opp- Todapur,
New Delhi-110 012.

<http://www.plantauthority.gov.in/index.htm>

PATENTS

A patent is a set of exclusive rights granted by the respective government to the inventor or his assignee, for a limited period of time, in exchange of a complete disclosure of the Invention.

PATENTABLE SUBJECT MATTER

A patent is granted for an invention relating to either

- A Product
- A Process or
- Both product and process

For example: In case of a drug, the following can be claimed:

- (a) product,
- (b) process of making the drug
- (c) Apparatus for the preparation of the drug, if it is novel.

CRITERIA FOR PROTECTION

INDIAN PERSPECTIVE:

For a patent to be granted, the following criteria should be met:

- Novelty
- Inventive step (Non- Obviousness)
- Utility/Industrial Applicability and
- It should not fall within the provisions of section 3 and 4 of the Patents Act 1970.

RIGHTS OF THE PATENTEE

A patent granted under the Indian Patent Act shall confer upon the patentee the Exclusive Right to prevent Third parties without his content

From the act of

- Making
- Using
- Offering for sale
- Selling or importing

The product or the product using the process

WHERE TO FILE

There are four Patent Offices in India:

- Kolkata- Head Office
- Delhi
- Mumbai
- Chennai

Website: <http://www.ipindia.gov.in/>

Territorial Jurisdiction

Patent
Office

• Territorial Jurisdictions

Mumbai

- The States of Gujarat, Maharashtra, Madhya Pradesh, Goa, Chhattisgarh, the Union Territories of Daman & Diu and Dadra & Nagar Haveli.

Delhi

- The States of Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttaranchal, National Capital Territory of Delhi and the Union Territory of Chandigarh.

Chennai

- The States of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and the Union Territories of Pondicherry and Lakshadweep

Kolkata

- Rest of India

TERM OF PROTECTION

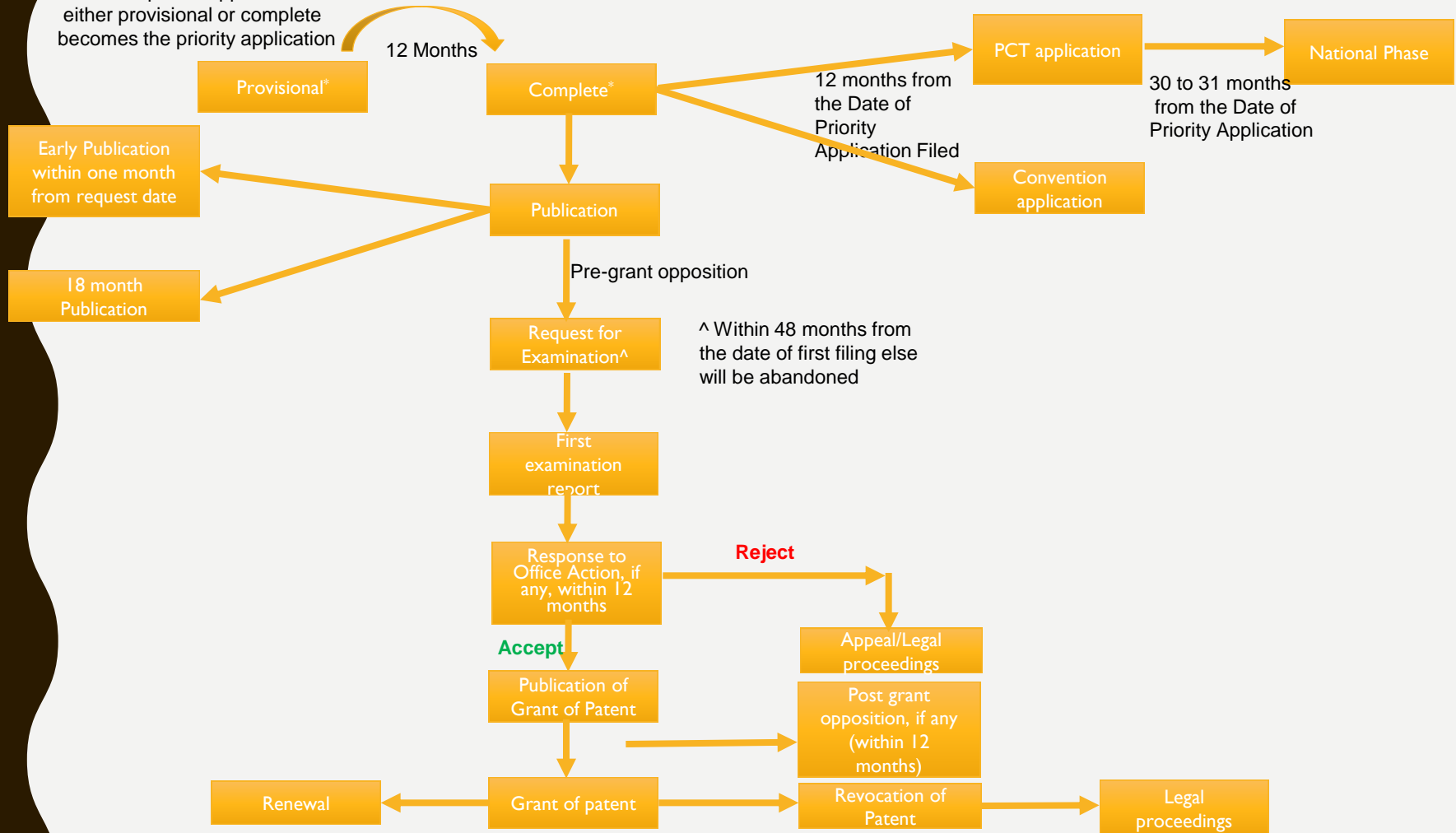
The term of protection of a Patent is

20 years counted from the date of filing. It should be renewed every year.

- **Note: Generally, a patent application for the invention which has been either published or publicly displayed cannot be filed in India. However the Patents Act provides a grace period of 12 months for filing of patent application from the date of its display in an exhibition organized by the Government or disclosure before any learned society or published by applicant in such proceedings.**

PATENT PROCESS - PTO

* The first patent application filed either provisional or complete becomes the priority application



PITFALLS

Avoiding common pitfalls

- Believing that IP protection is universal.
- Assuming that laws and procedures for the protection of IP rights are the same worldwide.
- Not checking whether a trademark is already registered or is being used by competitors in the export market.
- Not using the regional or international protection systems.
- Applying too late for IP protection abroad.
- Disclosing information too early or without a confidentiality or non-disclosure agreement.
- Infringing the IP rights of others.
- Not defining issues of ownership of IP rights when outsourcing manufacturing.
- Seeking to license a product in a market where the relevant patent or design is not protected.
- Using a trademark that is inappropriate for the market in question.

WHAT INTELLECTUAL PROPERTY (IP) ISSUES SHOULD BE TAKEN INTO CONSIDERATION WHEN DEVELOPING AN EXPORT PLAN?

Reasons for considering IPR protection

- The pricing of the product
- In raising funds,
- The negotiation of agreements with partners
- The marketing of your product
- The timing of your participation in fairs and exhibitions
- to strengthen its position in export markets and stop other companies from imitating or copying a work protected by copyright, the functional features of a product, its trademark or its design.

IP protection may

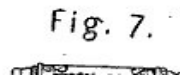
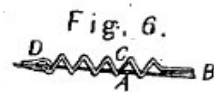
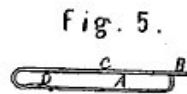
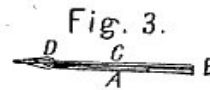
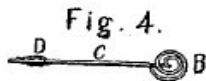
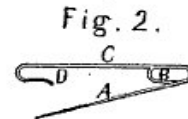
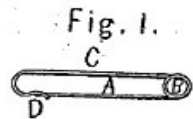
- enable an enterprise to access new markets through licensing, franchising, the establishment
- of joint ventures or other contractual agreements with other companies.



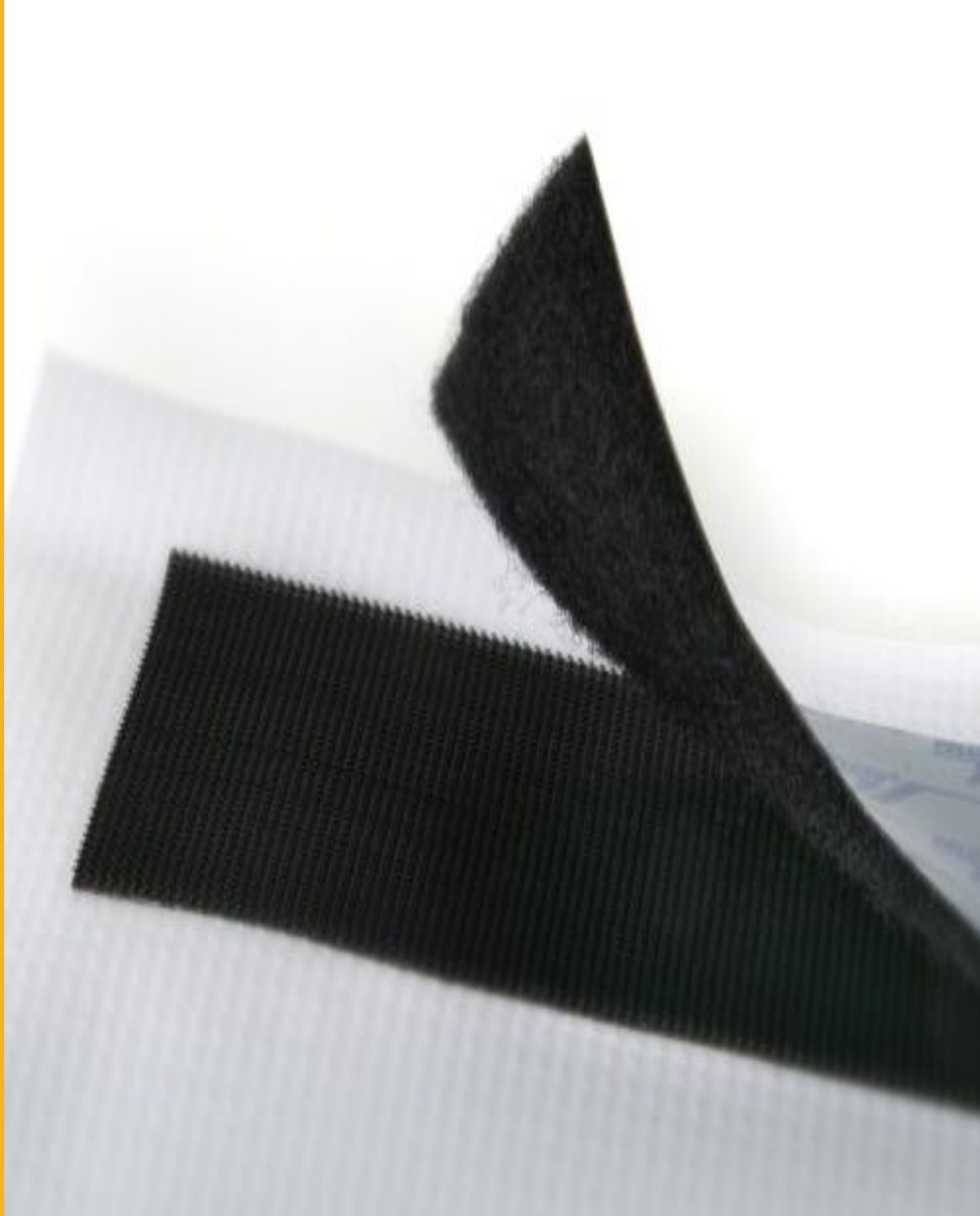


**INTRODUCED
IN 1977**

W. Hunt
Pin.
Nº 6281. Patented Apr. 10. 1849.



WALTER HUNT ALSO INVENTED THE A
 FORERUNNER OF THE WINCHESTER REPEATING
RIFLE, A SUCCESSFUL FLAX SPINNER, A KNIFE
 SHARPENER, A FOUNTAIN PEN, A ROPE-MAKING
 MACHINE, A STREETCAR BELL, HARD-COAL-
BURNINGSTOVE, ARTIFICIAL STONE, STREET
SWEEPING MACHINERY, THE VELOCIPEDE, AND
 THE ICE PLOUGH



**INVENTED BY
A SWISS
ENGINEER
NAMED
GEORGE DE
MESTRAL IN
THE 1940'S
WHILE
HUNTING IN
THE JURA
MOUNTAINS
IN
SWITZERLAND**

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EXERCISE: POSSIBLE PROTECTION



EXAMPLE



CASE STUDY 1 - PRIOR REGISTRATION OF A TRADE MARK

Background

- A European electronics producer with an internationally recognized brand for personal computers (BHT) is interested in setting up business in Southeast Asia.
- Upon carrying out their initial research into one of the ASEAN markets, they soon discovered that a prior registration for their brand existed in that market, having been submitted by a local party 5 years before.
- The local registration covered stereo systems and electronic radios. The European company was advised by a local attorney that the trade mark registration by the local party would effectively block any application put forward by the European company.

Action taken

The European company applied for a trade mark registration and simultaneously began an investigation into the activities of the local party. It was discovered that the local party had not actually been using the registered mark. The European company therefore initiated a cancellation procedure of this registration in a local court owing to a lack of use of the mark.

Outcome

The process of cancelling the earlier mark was expensive as a market survey was required and the local party defended the cancellation vigorously. An appeal was subsequently submitted to a higher court despite the fact that the European company had already succeeded in the initial hearing.

IP Lessons

- Consider using a local investigator to acquire the mark
- Perform trade mark searches before you decide to apply for trade mark protection, otherwise you may later encounter a prior registration that conflicts with your trade mark.
- Once you obtain trade mark protection, use it for the classes in which you received protection otherwise you risk cancellation due to lack of use.

CASE STUDY 2 – PATENT DISPUTE

➤ Background

- A British pharmaceutical manufacturer is a market leader in the production of an anti-cancer drug, which it has been exporting to every major developed country for the last 20 years, and also more recently to developing countries, particularly in Southeast Asia.
- The active ingredient of the drug was patented, but the original patent expired 3 years ago. However, a new improved process for making the drug was patented 10 years ago, and this patent is still in force in various countries, including Singapore, Malaysia, and Indonesia.
- Two years ago, the manufacturer found out that a generic manufacturer based in Vietnam was making and exporting the anti-cancer drug to Malaysia, and being sold in these countries for half the price of their own drug. This was having a serious adverse effect on sales

Advice

- The British manufacturer was informed that patents are national rights, and therefore action could only be taken in the countries where a patent existed. In this case the manufacturer had not registered any patents in Southeast Asia.
- A patent for a product is infringed if a third party makes, imports, sells, offers to sell, stores or uses the product without the permission of the patent owner. A patent for a process is infringed if a third party uses that process without the permission of the patent owner, and also if a third party makes, imports, sells, offers to sell, stores or uses the product directly obtained from that process.
- The British manufacturer was advised to contact a local expert to determine the exact process steps being used by the generic manufacturer before engaging in litigation.

Outcome

- It was not possible to take action against the generic manufacturer for infringement of the product patent as no patents had been filed in Southeast Asian countries (it is possible they would have had a longer term than those in developed countries due to differences in national laws).
- In addition, it was not possible to take action against the generic manufacturer for infringement of the process patent in Vietnam directly, as no patent had been filed in this country. Since the process patent had been filed and published many years ago, it was also not possible to extend the protection to Vietnam.
- The loss in sales was worth EUR 30,000. However, the cost of litigation was EUR 50,000.

Lessons Learnt:

- Submit your patent applications in potential future markets in Southeast Asia.
- Process patents are usually more difficult to enforce than product patents.
- Malaysia is one of the few countries in Southeast Asia with a dedicated IP court – judgements may not be consistent in other countries.
- The cost of litigation can be high (both financially and in management time) and may outweigh the cost of lost business, so reaching a settlement is often more cost-effective.

SUCCESS STORIES

- JET MOSQUITO REPELLENT

- Mr. S.K. Matlani is an entrepreneur based in Indore in the State of Madhya Pradesh in India.
- In 1985, Mr. Matlani quit his job as a clerk in a bank and started a small business of manufacturing plastic buttons and pipes.
- In 1986, he started manufacturing mosquito repellent mats after a visit to Malaysia where he saw the project and the technology involved.
- He fabricated a small machine in-house and his company began selling mosquito repellent mats based on his indigenous chemical formulation under the trademark JET. The total investment in the project was around Rs. 2.5 to Rs. 3 million (some USD 65,000).
- JET proved to be successful in the market and was soon competing neck-to-neck with its main competitor.

SUCCESS STORIES

JET MOSQUITO REPELLENT

- In 1995, one of India's large industrial groups, M/s Godrej Sarah Lee Limited was looking at options for entering the mosquito repellent market. Godrej Sarah Lee, entered into negotiations with both Jet and its main competitor for buying their respective trademarks.
- That same year, Godrej struck a deal with Jet Home Care Products Ltd for buying the JET trademark for Rs. 300 million (some USD 6,500,000).
- The acquisition by Godrej involved exclusively the trademark, which had acquired a good reputation in the Indian market. Thus, against an original investment of Rs. 3 million, this SME earned windfall profits through the sale of its trademark.



THANK YOU

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