\*MC509: INTELLECTUAL PROPERTY RIGHTS

B.Tech. III Year I Sem. L T/P/D C 3 0/0/0 0

UNIT – I Introduction to Intellectual property: Introduction, types of intellectual property, importance of intellectual property rights, International organizations, agencies and treaties,

UNIT – II Trade Marks: Purpose and function of trademarks, acquisition of trade mark rights, protectable matter, selecting, and evaluating trade mark, trade mark registration processes.

UNIT – III Law of copy rights: Fundamental of copy right law, originality of material, rights of reproduction, rights to perform the work publicly, copy right ownership issues, copy right registration, notice of copy right, international copy right law.

Law of patents: Foundation of patent law, patent searching process, ownership rights and transfer

UNIT – IV Trade Secrets: Trade secrete law, determination of trade secrete status, liability for misappropriations of trade secrets, protection for submission, trade secrete litigation. Unfair competition: Misappropriation right of publicity, false advertising.

UNIT – V New development of intellectual property: new developments in trade mark law; copy right law, patent law, intellectual property audits. International overview on intellectual property, international – trade mark law, copy right law, international patent law, and international development in trade secrets law.

TEXT BOOKS & REFERENCES:

1. Intellectual property right, Deborah. E. Bouchoux, Cengage learning.

2. Intellectual property right – Unleashing the knowledge economy, prabuddha ganguli, Tata McGraw Hill Publishing company ltd**UNIT – I**

**Introduction to Intellectual property**

**Intellectual Property**

Intellectual property (IP) refers to creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce.

IP is protected in law by, for example, [patents](https://www.wipo.int/patents/en/), [copyright](https://www.wipo.int/copyright/en/) and [trademarks](https://www.wipo.int/trademarks/en/), which enable people to earn recognition or financial benefit from what they invent or create. By striking the right balance between the interests of innovators and the wider public interest, the IP system aims to foster an environment in which creativity and innovation can flourish.

## IPR Law:

means intellectual property law and this intellectual property law deals with the rules for securing and enforcing legal rights to inventions, designs, and artistic works. Just as the law protects ownership of personal property and real estate, so too does it protect the exclusive control of intangible assets. The purpose of these laws is to give an incentive for people to develop creative works that benefit society, by ensuring they can profit from their works without fear of misappropriation by others and thisIntellectual property is the product of the human intellect including creativity concepts, inventions, industrial models, trademarks, songs, literature, symbols, names, brands,....etc. Intellectual Property Rights do not differ from other property rights. They allow their owner to completely benefit from his/her product which was initially an idea that developed and crystallized. They also entitle him/her to prevent others from using, dealing or tampering with his/her product without prior permission from him/her. He/she can in fact legally sue them and force them to stop and compensate for any damages.

Intellectual property is divided into two categories: Industrial Property includes patents for inventions, trademarks, industrial designs, and geographical indications. Copyright covers literary works (such as novels, poems, and plays), films, music, artistic works (e.g., drawings, paintings, photographs, and sculptures) and architectural design. Rights related to copyright include those of performing artists in their performances, producers of phonograms in their recordings, and broadcasters in their radio and television program.

## Types of Intellectual Property Rights

There are four types of intellectual property include:

1.Trademarks

2.Copyrights

3 Patents

4Trade secrets

## (1) Trademark:

A trademark is a sign by which a business identifies its products or services and distinguishes them from those supplied by competitors. It can be distinctive words, marks or other features. Its purpose is to establish in the mind of the customer a link between all the different products and/or services that the

company offers and then distinguish them from those supplied by competitors.  
  
A trademark may consist of any signs capable of being represented graphically, particularly words, including personal names, logos, letters, numerals, the shape of goods or of their packaging, provided that such signs are capable of distinguishing the goods or services of one undertaking from those of other undertakings.

Examples of trademarks  
  


## (2) Copyright:

Copyright is a legal term describing rights given to creators for their original literary, musical or artistic works which allow them to control their subsequent use. These include for example:  
# computer software  
# drawings, maps, charts or plans  
# photographs and films  
# architectural works  
# sculptures  
# sound recordings  
# TV and radio broadcasts

## Copyright protection has two components:

# Moral rights, which are not transferable and give the creator the right to be identified as the author of the work and the right to object to any distortion or mutilation of the work.  
# Economic rights, which entitle the owner to control the use of its creation in a number of ways (making copies, issuing copies to the public, performing in public, broadcasting, etc)and to obtain an appropriate economic reward.

## (3) Patent:

A patent is a title which provides its owner the right to prevent others from exploiting the invention mentioned in the patent. It does not allow by itself making or selling an invention but it rather givesthe right to exclude others from making, using, selling or importingthe patented invention.  
This monopoly is granted for a specific field, in a defined country and for a maximum of 20 years in return for the full disclosure of the invention with the publication of its technical details.

## Hence patent consists of a deal between inventors and society:

# for the inventor - a patent is the way to prevent competitorsfrom copying its invention  
# for society - a patent consists on improving the innovation process by the public disclosure of innovations. In return investment is encouraged by the delivery of .exclusivity right and the derived benefits.  
  
4] Trade Secret

Trade secrets concern secret or proprietary information of commercial value. These are not covered by specific statutory provisions as other types of IP are, although there could be aspects contract law or employment law that might be relevant in a particular case.The level of protection conferred to trade secrets varies significantly from country to country. The notion of a secret is mentioned in the Commission Regulation No 772/2004 as being"not generally known or easily accessible". Indeed, trade secret represents an interest for its holder, which is often a competitive advantage. Trade secrets do not receive any protection from intellectual property rights, even though a doctrinal discussion exists on this issue and some authors consider trade secrets themselves as an IP right.  
  
In any case, they could fall under the scope of protection of civil law and unfair competition law. In addition, some countries also provide penal sanctions for persons who fraudulently disclose an industrial secret.

It is often difficult to distinguish between different types of intellectual property. The chart below illustrates the key differences between patents, copyrights, trademarks, and trade secrets.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *Type of Intellectual Property* | Definition / What it Protects | Method of Protection | Duration of Protection | Infringement Standard |
| ***Patent*** | A patent is a limited property right relating to an invention in exchange for public disclosure of the invention | File for US patent in the USPTO  File for International patent in the WIPO | For a utility patent, the term is generally 20 years from the earliest filing date of the application.  For design patents (based on decorative, non-functional features) the term is 15 years from the issue date. | Infringement occurs if the new invention falls within the claims of a granted patent. If a single element of the claim is missing from the new invention, the invention does not infringe the patent. |
| ***Copyright*** | Grants the creator of original work, such as writings, music, and art, exclusive rights to its use and distribution. | Copyrights are automatically secured upon creation of the matter.  However, it is advantageous to file for registration in the US Copyright Office | Generally, life of the creator plus 70 years. | Substantial similarity of protected elements between a copyrighted work and an allegedly infringing work. |
| ***Trademark*** | A trademark or service mark includes any word, name, symbol, device, or any combination used or intended to be used to identify and distinguish the goods or services of one party from those of others, and to indicate the source of the goods or services. Trademarks are used to protect a brand. | Common law trademark – automatically created if used in commerce | Trademark protection can last indefinitely as long as the owner continues to use the mark to identify its goods and services. Federal trademarks must be renewed every 10 years. | Likelihood of confusion – Are the marks sufficiently similar to cause consumer confusion as to their source or origin? |
| ***Trade Secret*** | A trade secret is a formula, practice, process design, instrument, pattern or compilation of information that is not generally known or reasonably ascertainable by which a business can obtain an economic advantage over its competitors.  Protection is afforded by non-disclosure (NDA), confidentiality, and, non-compete agreements |  | Indefinite, but must make reasonable efforts to maintain security | Competitors may lawfully obtain trade secrets through reverse engineering or employee poaching. If the competitor uses improper means to obtain the secret, such as industrial espionage, the competitor may be subject to a misappropriation claim. |

# INTERNATIONAL ORGANISATIONS OF IP

# 1.Trade Related Aspects of Intellectual Property Rights (TRIPS)

**Trade-Related Aspects of Intellectual Property Rights (TRIPS) covers most forms of intellectual property including copyright, patents, geographical indications, trademarks, industrial designs, trade secrets, and exclusionary rights over new plant varieties. TRIPS came into force on 1 January 1995.**

Intellectual Property Rights are the rights given to persons/agencies for their creativity/innovations. These rights usually give the creator, an exclusive right over the use of his/her creation for a certain period of time. The importance of intellectual property in India is well established at all levels- statutory, administrative and judicial.

This Agreement, inter-alia, contains an Agreement on Trade Related Aspects of Intellectual Property Rights **(TRIPS) which came into force from 1st January 1995.** It lays down minimum standards for protection and enforcement of intellectual property rights in member countries which are required to promote effective and adequate protection of intellectual property rights with a view to reducing distortions and impediments to international trade.

The obligations under the TRIPS Agreement relate to provision of minimum standard of protection within the member countries legal systems and practices.

**2.United States Patent and Trademark Office [USPTO]**

**T**he United States Patent and Trademark Office (USPTO or Office) is an agency of the U.S. Department of Commerce. The role of the USPTO is to grant patents for the protection of inventions and to register trademarks. It serves the interests of inventors and businesses with respect to their inventions and corporate products, and service identifications. It also advises and assists the President of the United States, the Secretary of Commerce, the bureaus and offices of the Department of Commerce, and other agencies of the government in matters involving all domestic and global aspects of “intellectual property.” Through the preservation, classification, and dissemination of patent information, the Office promotes the industrial and technological progress of the nation and strengthens the economy.

In discharging its patent related duties, the USPTO examines applications and grants patents on inventions when applicants are entitled to them; it publishes and disseminates patent information, records assignments of patents, maintains search files of U.S. and foreign patents, and maintains a search room for public use in examining issued patents and records. The Office supplies copies of patents and official records to the public. It provides training to practitioners as to requirements of the patent statutes and regulations, and it publishes the Manual of Patent Examining Procedure to elucidate these. Similar functions are performed relating to trademarks. By protecting intellectual endeavors and encouraging technological progress, the USPTO seeks to preserve the United States’ technological edge, which is key to our current and future competitiveness. The USPTO also disseminates patent and trademark information that promotes an understanding of intellectual property protection and facilitates the development and sharing of new technologies worldwide.

**3.World Intellectual Property Organization (WIPO)**

The World Intellectual Property Organization (WIPO) is a United Nations (U.N.) agency charged with protecting intellectual property (IP) through an international system that promotes and sustains creativity and innovation and helps develop international economies.  
  
WIPO is dedicated to protecting IP by working with worldwide organizations. It enlists the cooperation of member states through the nine foundational goals of its Strategic Plan. Strategies adopted by member states and organizations include:

* Developing a global IP infrastructure
* Building international respect for IP
* Supporting structures used to facilitate financial and administrative functions
* Implementing global policy issues related to IP

Other strategic goals outlined at the WIPO website are designed to facilitate the Strategic Plan of WIPO

WIPO was established in 1967 in accordance with a mandate issued by the U.N. Primarily developed to focus on the preservation and meaningful use of IP, WIPO enlists the cooperation of member states and U.N. organizations to foster economic development and other activities. Since 1967, organizations and member states have integrated and implemented goals related to the to enlist a Strategic Plan for WIPO to be released on or after 2015.  
  
The International Bureau of WIPO in Geneva, Switzerland employs staff from more than 90 countries. WIPO employees include IP law and IT experts and public policy and economy specialists that are aligned with job duties that promote IP usage for strong economic development between U.N. member states. The International Bureau's divisions are responsible for arranging member state meetings, ensuring proper implementation of WIPO standards, developing and implementing WIPO programs and providing IP expertise to achieve WIPO strategies.

 4.**International Trademark Association** (**INTA**)

The **International Trademark Association** (**INTA**) is a global [not-for-profit](https://en.wikipedia.org/wiki/Not-for-profit) [advocacy association](https://en.wikipedia.org/wiki/Advocacy_group) of brand owners and professionals dedicated to supporting [trademarks](https://en.wikipedia.org/wiki/Trademarks) and related [intellectual property](https://en.wikipedia.org/wiki/Intellectual_property) to foster consumer trust, economic growth, and innovation.

INTA’s members are more than 7,200 organizations from 187 countries. INTA members collectively contribute almost US $12 trillion / €8.8 trillion / ¥73 trillion to [global GDP](https://en.wikipedia.org/wiki/Global_GDP) annually. For comparison, the 2013 annual GDP of the top three markets was $9.2 trillion (China), $17.9 trillion (European Union) and $16.7 trillion (United States).

The association's member organizations represent some 32,000 trademark professionals and include brand owners from major corporations as well as [small and medium-sized enterprisess](https://en.wikipedia.org/wiki/Small_and_medium-sized_enterprises), law firms and nonprofits. There are also government agency members as well as individual professor and student members.

INTA undertakes advocacy work throughout the world to advance trademarks and offers educational programs and informational and legal resources of global interest.

INTA, originally known as the United States Trademark Association (USTA), was established in November 1878 in [New York City](https://en.wikipedia.org/wiki/New_York_City) by 17 merchants and manufacturers to protect and promote the rights of trademark owners, secure useful legislation, and give aid and encouragement to all efforts for the advancement and observance of [trademark rights](https://en.wikipedia.org/w/index.php?title=Trademark_right&action=edit&redlink=1).

In 1908, the association became a business corporation under the Business Corporation Law of the State of New York, and it was given broad powers to act for the protection of trademarks in the United States and around the world.

In 1926, the USTA became a not-for-profit member organization.

In 1993, the association changed its name to the International Trademark Association.

**INTERNATIONAL AGREEMENTS & TREATIES OF IP**

# 1.Berne Convention for the Protection of Literary and Artistic Works (1886)

The Berne Convention deals with the protection of works and the rights of their authors. It is based on **three basic principles** and contains a series of provisions determining the **minimum protection** to be granted, as well as special provisions available to **developing countries** that want to make use of them.

(1) The **three basic principles** are the following:

(a) Works originating in one of the Contracting States (that is, works the author of which is a national of such a State or works first published in such a State) must be given the same protection in each of the other Contracting States as the latter grants to the works of its own nationals (principle of "national treatment") [[1]](https://www.wipo.int/treaties/en/ip/berne/summary_berne.html" \l "_ftn1" \o ").

(b) Protection must not be conditional upon compliance with any formality (principle of "automatic" protection) [[2]](https://www.wipo.int/treaties/en/ip/berne/summary_berne.html" \l "_ftn2" \o ").

(c) Protection is independent of the existence of protection in the country of origin of the work (principle of "independence" of protection). If, however, a Contracting State provides for a longer term of protection than the minimum prescribed by the Convention and the work ceases to be protected in the country of origin, protection may be denied once protection in the country of origin ceases [[3]](https://www.wipo.int/treaties/en/ip/berne/summary_berne.html" \l "_ftn3" \o ").

(2) The **minimum standards** of protection relate to the works and rights to be protected, and to the duration of protection:

(a) As to works, protection must include "every production in the literary, scientific and artistic domain, whatever the mode or form of its expression" (Article 2(1) of the Convention).

(b) Subject to certain allowed reservations, limitations or exceptions, the following are among the **rights** that must be recognized as exclusive rights of authorization:

* + - **the right to translate**,
    - **the right to make adaptations and arrangements** of the work,
    - **the right to perform in public** dramatic, dramatico-musical and musical works,
    - **the right to recite** literary works in **public**,
    - **the right to communicate to the public** the performance of such works,

**2.The Paris Convention**

The Paris Convention offered some of the most widespread protections for individuals and businesses that own trademarks, patents, utility models, industrial designs, geographical indications and trade names. It was really the first major step in ensuring that creators are given protections for their works even in other countries. This convention created the provision of national treatment. This establishes that each state must offer individuals or businesses with a patent the same protections as they would give national citizens of their own state.

The convention also established the right of priority. This means that an individual could file a patent for his or her invention in whatever country that person lives in. After a given amount of time, the inventor could file for a patent within any other countries that have agreed to the Paris Convention. The amount of time a person would need to wait is six months for industrial marks and designs and 12 months for utility models and patents. This provision is incredibly beneficial because it means that patent filers do not have to file patents at several countries at the same time, which can cause a lot of headaches. You can focus on your homeland first and then decide what other countries would be best for getting a patent filed.

A few common rules are established. These go into great detail within the actual writing of the treaty, but one of them is that patents are independent of each other when dealing with different contracting states. While a patent cannot be terminated or refused on the grounds that it was terminated or refused in another state, a country is under no obligations to accept the patent if it fails in some other capacity. These common rules also apply to collective marks such as unfair competition, indications of source, trade names and industrial designs.

The Paris Convention for the Protection of Industrial Property is an interesting event to delve into if you are interested in one day filing for patents in other countries besides the one you currently live in. Companies that have worldwide reputations should particularly look into law to make sure everything is being handled correctly. This convention was brought together so that inventors are granted international protections, and its authority is clear based on the fact that it was created in 1883 and is still in effect to this day.

# 3.Madrid Protocol-1990

The Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks -- the **Madrid Protocol** -- is one of two treaties comprising the Madrid System for international registration of trademarks. The protocol is a **filing** treaty and not a substantive harmonization treaty. It provides a cost-effective and efficient way for trademark holders -- individuals and businesses -- to ensure protection for their marks in multiple countries through the filing of one application with a single office, in one language, with one set of fees, in one currency. Moreover, no local agent is needed to file the initial application.

While an International Registration may be issued, it remains the right of each country or contracting party designated for protection to determine whether or not protection for a mark may be granted. Once the trademark office in a designated country grants protection, the mark is protected in that country just as if that office had registered it

The Madrid Protocol also simplifies the subsequent management of the mark, since a simple, single procedural step serves to record subsequent changes in ownership or in the name or address of the holder with World Intellectual Property Organization's International Bureau. The International Bureau administers the Madrid System and coordinates the transmittal of requests for protection, renewals and other relevant documentation to all members.

## 4.North American Free Trade Agreement (NAFTA)

The North American [Free Trade Agreement](https://www.investopedia.com/terms/f/free-trade.asp) (NAFTA) was implemented in order to promote trade between the U.S., Canada, and Mexico. The agreement, which eliminated most [tariffs](https://www.investopedia.com/terms/t/tariff.asp) on trade between the three countries, went into effect on January 1, 1994. Numerous tariffs–particularly those related to agriculture, textiles, and automobiles–were gradually phased out between January 1, 1994 and January 1, 2008.

NAFTA’s purpose was to encourage economic activity among North America's three major economic powers.

## Why NAFTA Was Formed

About one-fourth of all U.S. imports, such as crude oil, machinery, gold, vehicles, fresh produce, livestock, and processed foods, originate from Canada and Mexico, which are the U.S.'s second- and third-largest suppliers of imported goods. In addition, approximately one-third of U.S. exports, particularly machinery, vehicle parts, mineral fuel/oil, and plastics are destined for Canada and Mexico.

## Additions to NAFTA

NAFTA was supplemented by two other regulations: the North American Agreement on Environmental Cooperation (NAAEC) and the North American Agreement on Labor Cooperation (NAALC). These tangential agreements were intended to prevent businesses from relocating to other countries to exploit lower wages, more lenient worker health and safety regulations, and looser environmental regulations.

NAFTA did not eliminate regulatory requirements on companies wishing to trade internationally, such as rule-of-origin regulations and documentation requirements that determine whether certain goods can be traded under NAFTA. The [free-trade](https://www.investopedia.com/terms/f/free-trade.asp) agreement also contains administrative, civil, and criminal penalties for businesses that violate any of the three countries’ laws or customs procedures.

**5.General Agreement on Tariffs and Trade (GATT)**

The General Agreement on Tariffs and Trade (GATT), signed on Oct. 30, 1947, by 23 countries, was a legal agreement [minimizing barriers to international trade](https://www.investopedia.com/articles/economics/08/tariff-trade-barrier-basics.asp) by eliminating or reducing [quotas](https://www.investopedia.com/terms/q/quota.asp), [tariffs](https://www.investopedia.com/terms/t/tariff.asp), and [subsidies](https://www.investopedia.com/terms/s/subsidy.asp) while preserving significant regulations. The GATT was intended to boost economic recovery after World War II through reconstructing and liberalizing global trade.

The GATT went into effect on Jan. 1, 1948. Since that beginning it has been refined, eventually leading to the creation of the [World Trade Organization (WTO)](https://www.investopedia.com/terms/w/wto.asp) on January 1, 1995, which absorbed and extended it. By this time 125 nations were signatories to its agreements, which covered about 90% of global trade.

The Council for Trade in Goods (Goods Council) is responsible for the GATT and consists of representatives from all WTO member countries. As of September 2019, the council chair is Uruguyan Ambassador José Luís Cancela Gómez. The council has 10 committees that address subjects including market access, agriculture, subsidies, and anti-dumping measures.

* The General Agreement on Tariffs and Trade (GATT) was signed by 23 countries in October 1947, after World War II, and became law on Jan. 1, 1948.
* The GATT’s purpose was to make international trade easier.
* The GATT held eight rounds in total from April 1947 to September 1986, each with significant achievements and outcomes.
* In 1995 the GATT was absorbed into the World Trade Organization (WTO), which extended it.
* One of the key achievements of the GATT was that of trade without discrimination. Every signatory member of the GATT was to be treated as equal to any other. This is known as the [most-favored-nation principle](https://www.investopedia.com/terms/m/mostfavorednation.asp), and it has been carried through into the WTO. A practical outcome of this was that once a country had negotiated a tariff cut with some other countries (usually its most important trading partners), this same cut would automatically apply to all GATT signatories. Escape clauses did exist, whereby countries could negotiate exceptions if their domestic producers would be particularly harmed by tariff cuts.
* Most nations adopted the most-favored-nation principle in setting tariffs, which largely replaced quotas. Tariffs (preferable to quotas but still a trade barrier) were in turn cut steadily in rounds of successive negotiations.

### Why is it important to protect intellectual property rights?

IP rights are important because they can:

* set business apart from competitors
* be sold or licensed, providing an important revenue stream
* offer customers something new and different
* form an essential part of marketing or branding
* be used as security for loans

It may be surprised at how many aspects of business can be protected. name and logo, designs, inventions, works of creative or intellectual effort or trade marks that distinguish your business can all be types of IP.

Some IP rights are automatically safeguarded by IP law, but there are also other types of legal protection you can apply for.

To exploit your IP fully, it makes strong business sense to do all you can to secure it. we can then:protect it against infringement by others and ultimately defend in the courts your sole right to use, make, sell or import it

* stop others using, making, selling or importing it without your permission
* earn royalties by licensing it
* exploit it through strategic alliances
* make money by selling it

UNIT – II

## Trade Marks

## Trademark

A trademark is a recognizable insignia, phrase, word, or symbol that denotes a specific product and legally differentiates it from all other products of its kind. A trademark exclusively identifies a product as belonging to a specific company and recognizes the company's ownership of the brand.

Similar to a trademark, a [service mark](https://www.investopedia.com/terms/s/service-mark.asp) identifies and distinguishes the source of a service rather than a product, and the term “trademark” is often used to refer to both trademarks and service marks. Trademarks are generally considered a form of [intellectual property](https://www.investopedia.com/terms/i/intellectualproperty.asp).

## Purpose and function of trademarks

## There are two main purposes that a trademark serves. One is distinguishing and identifying services or goods that a seller or manufacturer sells or is sold by other companies or sellers. The second is to give the public the information about where the logo, name, or brand came from. It ultimately is a way to brand a product, name, or slogan.

**Functions of a Trademark**

A trademark serves the purpose of identifying the source or the origin of goods. Trademark performs the following four functions.

* It identifies the product and it’s origin.
* It proposes to guarantee its quality.
* It advertises the product. The trademark represents the product.
* It creates an image of the product in the minds of the public particularly the consumers or the prospective consumers of such goods.

## Categories Trademarks

A [trademark](https://www.upcounsel.com/trademarks) offers legal protection for a word, symbol, phrase, logo, design, or combination of those that represents a source of goods or services. Types of trademarks for products include five main categories: generic mark, descriptive mark, suggestive mark, fanciful, and arbitrary mark.

* **Generic Mark**
  + A [generic trademark](https://www.upcounsel.com/generic-trademark) actually doesn't qualify for a trademark unless it includes more specific detail. One example of a generic mark is the phrase, "The Ice Cream Shop." Offering trademark protection on something this generic would restrict all other shops that sell ice cream.
  + To qualify a generic mark for a trademark, it needs to describe qualities, characteristics, or ingredients of the good your business sells.
* **Descriptive Mark**
  + A [descriptive mark](https://www.upcounsel.com/descriptive-trademark) identifies one or more characteristics of a prodct or service and only serves to describe the product. It has unique elements that qualify it for protection under [trademark laws](https://www.upcounsel.com/trademark-law) such as it must have secondary meaning such as amount and manner of advertising, volume of sales, length and manner of the mark's use, or results of consumer surveys to qualify. This means that consumers must recognize the mark and identify it with the brand.
  + To qualify as a descriptive mark, it should evolve from what the brand represents to who the brand represents.
* **Suggestive Mark**
  + A [suggestive mark](https://www.upcounsel.com/suggestive-trademark) implies something about the good or service. A mark in this category typically qualifies for protection without requiring a secondary meaning.
  + The term "suggestive" means that the customer must use the imagination to figure out what services or goods the company offers. One example is the luxury automotive brand, Jaguar. It suggests speed and agility, but doesn't immediately convey a car manufacturer.
* **Fanciful Mark**
  + A [fanciful mark](https://www.upcounsel.com/fanciful-trademark) is a term, name, or logo that is different from anything else that exists. This category is the easiest for obtaining trademark protection because it typically doesn't compete with anything else or become too generic.
  + Examples of fanciful marks include Kodak, Nike, and Adidas. These words don't hold any meaning in common language, so trademarking them doesn't infringe on the rights of other companies that offer similar products.
* **Arbitrary Mark**
  + An [arbitrary mark](https://www.upcounsel.com/arbitrary-trademark) might include a term or phrase with a well-known meaning, but the meaning in its case is different. The best example of an arbitrary mark is Apple, the computer and electronics manufacturer. An apple is a familiar term, but in this case, the mark doesn't have anything to do with the general meaning of the term.
* **Service Mark**
  + A [service mark](https://www.upcounsel.com/service-mark) is the same as a trademark, but it distinguishes a company that provides services instead of products. A servce mark still falls under the legal trademark laws and must be registered with the USPTO.
  + A common example of a service mark would be the "McDonald's" service mark since it is used to represent the services provided.

An additional form of legal protection for distinguishing businesses is:

* **Trade Dress**
  + A [trade dress](https://www.upcounsel.com/trade-dress) includes identifying features of a product or company such as packaging elements, décor items, and other similar concepts. Product features don't usually fall under a type of trademark for legal protection, but instead under [trade dress protection](https://www.upcounsel.com/trade-dress-protection). If a consumer identifies a specific feature or features with a brand or company instead of the actual product, the case for trade dress protection is strong.
  + One example of trade dress is the bottle of Listerine mouthwash. The unique flat shape of the bottle is easily identifiable to customers looking for Listerine, so it qualified for protection, which restricts others from producing a confusingly similar bottle design.

Protectable matter

1. Slogans, Letters and Numbers
2. Logos and symbols
3. Names of performing artists
4. Domain names
5. Foreign names
6. Shapes of containers
7. Trade Dress
8. Colour
9. Fragrances, Sounds and moving images

Exclusions from Trademarks: Trademarks does not include

1. Disparaging marks or falsely suggestive marks
2. Insignia Flags
3. Immoral and scandalous matter
4. Names and Portraits of living person
5. Deceptive matter
6. Mere surnames
7. Geographical terms
8. Merely descriptive or confusing marks
9. Functional devices
10. Statutory protected marks

Acquisition of trade mark rights:

Depending on the country trademarks rights are established through use or registration. Based on English common Law using a mark can establish rights on the mark. In some countries the registration may provide broader rights than common l:aw.

Rights that arise from simply using the mark are limited to geographic area while rights obtained through registration may extend throughout the country. Usually an application to register a trademark is made in the Trademark office where the applicant wishes to protect the mark.

The application includes name and address of the applicant, representation of mark and however most countries do not require the mark to be used before registration.

Once the trademark application meets the requirements for registration, then it is published by Trademark Office. If no opposition is filed in the limited period after publication, the registration is issued which remains valid for ever.

The Law is US is quite different. The rights on arise from adaption and use of mark not from registration. A person using mark has valid and enforceable rights on a mark even though it is not registered with USPTO. Such an owner will have priority over a subsequent user of the mark.

But the use must be public use rather than token use. Establishing date of first use is more important for Trademark owners because validity of trademarks is measured from this date. Although general use is that acquisition of Trademark rights arise from use there is an exception to the rule i.e Intent to use application.

An applicant has began using the mark and then filed an application and if USPTO might refuse registration of he mark subject to any defect, the applicant would have invested money and time in developing the mark and using it in commerce (marketing & advertising) will go waste, to remedy this situation Act allowed persons to file applications for marks based on bonafied intent to use the mark in commerce in future,

#### International Classification of Goods & Services

#### Trademark Classes for Products

[**Class 1: Chemical Goods –**](https://tingenwilliams.com/2018/trademark-class-1-chemical-goods/7898)Class 1 is a very broad category encompassing many different chemical goods. It includes chemicals used in industry, science, photography, agriculture, horticulture, and forestry, as well as many others.

[**Class 2: Paints –**](https://tingenwilliams.com/2018/trademark-class-2-paints/7903)Class 2 is for paints, varnishes and lacquers, preservatives, and other colorants. Additionally, Class 2 covers certain foil and powder metals for artists.

[**Class 3: Perfumes and Personal Hygiene –**](https://tingenwilliams.com/2018/class-3-trademark/7916)Class 3 includes all soaps and personal hygiene items, such as perfumes, cosmetics, hair products, and shaving products. Detergent, bleaches, and abrasives for household cleaning and polishing also fall under this class.

[**Class 4: Fuels, Oils, and Illuminants –**](https://tingenwilliams.com/2018/class-4-trademark/7914)Class 4 includes both liquid fuels, such as gasoline or some alcohols, and solid fuels, such as coal. In a similar way, wax, wood, and other illuminants are also covered here. Finally, the Nice agreement also includes some green energy services, even those that would otherwise avoid the term “fuel,” in this class. This is because Class 4 also covers most products that are used to make electrical energy.

[**Class 5: Pharmaceutical, Medical, and Veterinary Products –**](https://tingenwilliams.com/2018/class-5-trademark-pharmaceutical-medical-and-veterinary-products/7907)Class 5 includes pharmaceutical, veterinary, and sanitary products. Some common examples of products in this class are diapers, medical shampoos, dietary supplements, and personal hygiene products that do not count as toiletries.

[**Class 6: Common Metals –**](https://tingenwilliams.com/2018/class-6-trademark/7945)Class 6 includes partly wrought and unwrought metals. For example, metal goods used in buildings and railways, metal pipes and tubes, and nuts and bolts all fall under this class. Certain other forms of metal hardware also fall under Class 6, such as wires, chains, aluminum foil, and metal signs.

[**Class 7: Machines and Machine Parts –**](https://tingenwilliams.com/2018/trademark-class-7-machines-and-machine-parts/7923)Class 7 covers a wide array of machines and their parts, from 3D printers to industrial robots and engines. Most non-hand operated, non-vehicular machines fall under this classification.

[**Class 8: Hand Operated Tools –**](https://tingenwilliams.com/2018/trademark-class-8-hand-operated-tools/7938)Class 8 is very similar to Class 7, but specifically covers hand-operated tools and machines. Basically, if you need a hand, rather than a motor, to use it, then it would fall under this class. For example, hammers, razors, kitchen knives, and certain gardening tools all fall under this class.

[**Class 9: Electric and Scientific Apparatus –**](https://tingenwilliams.com/2018/trademark-class-9-electric-and-scientific-apparatus/7941)An electric or scientific “apparatus” is a piece of technical or mechanical equipment created to perform a very specific job. For instance, recording and media equipment (whether audio or video), fall under Class 9. Class 9 also includes computer parts and electrical parts such as fuses, sockets, and plugs.

[**Class 10: Medical Apparatus –**](https://tingenwilliams.com/2018/trademark-class-10-medical-apparatus/7943)Similarly to Class 9, Class 10 includes medical apparatuses, equipment, and supplies that are specifically made for diagnosing and treating people and animals. These products range from rehabilitation tools to veterinary supplies, artificial organs, and more.

[**Class 11: Appliances –**](https://tingenwilliams.com/2018/class-11-trademark-appliances/7958)Any industrial or home appliance used to clean, cook, or otherwise make a space cleaner or nicer go in Class 11. This can include air-conditioning, electric kettles, electric cooking utensils, and refrigerators.

[**Class 12: Vehicles –**](https://tingenwilliams.com/2018/class-12-trademark-vehicles/7948)This class includes all vehicles and vehicle parts that help transport people and goods by land, air, and water. Airplanes, boats, cars, transmission parts, steering wheels, and many other vehicle-related marks go into this class.

[**Class 13: Firearms, Fireworks, and Explosives –**](https://tingenwilliams.com/2018/class-13-trademark/7963)Weapons, ammunition, pyrotechnics, and other non-military explosives are in Class 13.

[**Class 14: Jewelry –**](https://tingenwilliams.com/2018/trademark-class-14-jewelry/7985)This class includes things such as jewelry, cufflinks, clocks, watches, and the components used to make these things. This class also covers precious and semi-precious stones.

[**Class 15: Musical Instruments –**](https://tingenwilliams.com/2018/trademark-class-15-musical-instruments/7988)This category covers all musical instruments and their components, both acoustic and electric.

[**Class 16: Paper Products –**](https://tingenwilliams.com/2018/trademark-class-16/8031)This class mostly deals with paper and the things people use to organize paper. If it’s made of paper, or holds paper in some way, it’s probably in Class 16. Some examples include typewriters, painters’ easels, napkins, envelopes, and metal binder clips.

[**Class 17: Rubber and Plastic Products –**](https://tingenwilliams.com/2018/trademark-class-17-rubber-and-plastic-products/8018)This is another broad category that covers a variety of products made of rubber and plastic. Some examples are tubes and hoses, seals and fillers (like caulk), and insulation.

[**Class 18: Leather –**](https://tingenwilliams.com/2018/trademark-class-18/8049)Leather and non-leather suitcases and wallets, as well as certain leather animal supplies (like horse bridles), are in Class 18. Pelts, hides, and fur (including fake fur) are also in this class. It’s important to note that clothing made of leather is **not** in Class 18.

[**Class 19: Non-Metal Building Materials –**](https://tingenwilliams.com/2018/trademark-class-19-non-metal-building-materials/8056)Stone, metal, wood, and glass for building are in this class, along with any non-metal building materials. Cement, however, falls under Class 1.

[**Class 20: Furniture –**](https://tingenwilliams.com/2018/trademark-class-20-furniture/8058)All furniture, including furniture for outdoors, babies, or pets is in Class 20. This class is also for furniture components like dowels, pins, latches and hinges.

[**Class 21: Household Utensils –**](https://tingenwilliams.com/2018/trademark-class-21-household-utensils/8161)Trademark Class 21 includes kitchen utensils, pots and pans and hand-operated kitchen tools. This class also includes some cleaning tools and bathroom items, as well as most glassware and dishes. Finally, certain related items, such as combs and toothbrushes, watering cans, and aquariums, also fall under this class.

[**Class 22: Textiles and Fibers –**](https://tingenwilliams.com/2018/trademark-class-22-textiles-and-fibers/8061)Class 22 covers textiles including ropes, materials for ship and boat building, padding materials, cushioning and stuffing materials, raw fibrous materials, and other textiles.

[**Class 23: Threads and Yarns –**](https://tingenwilliams.com/2018/trademark-class-23-threads-and-yarns/8064)This class is for yarns and threads for textile use.

[**Class 24: Textile Goods –**](https://tingenwilliams.com/2018/trademark-class-24-textile-goods/8084)Unlike Class 22, this class is for goods made from textiles. Some examples are fabrics, linens, flags, and wall hangings. Sleeping bags are also a common Class 24 product.

[**Class 25: Clothing –**](https://tingenwilliams.com/2018/class-25-trademark-clothing/8129)All clothing, including footwear and headwear, is in this class. Only certain specialized clothing falls under other classes, such as hair ribbons (Class 26).

[**Class 26: Cloth Finishing –**](https://tingenwilliams.com/2018/trademark-class-26-cloth-finishing/8131)Cording, lace, hooks, buttons, and accessories such as charms fall under the “cloth finishing” class. Interestingly, this class also includes false hair and hair accessories. Basically, most accessories used to compliment a particular outfit fall under Class 26.

[**Class 27: Floor Coverings –**](https://tingenwilliams.com/2018/trademark-class-27-floor-coverings/8135)Carpets, rugs, mats, linoleum, and other general floor coverings are in Class 27. Non-textile wall hangings also go into this class.

[**Class 28: Games and Sporting Goods –**](https://tingenwilliams.com/2018/trademark-class-28-games-and-sporting-goods/8164)This class includes all games, video games, sports equipment, toys, and playground equipment. Some religious holiday decorations are also in Class 28, such as Christmas tree ornaments.

[**Class 29: Meat, Dairy, and Nuts –**](https://tingenwilliams.com/2018/trademark-class-29-meat-dairy-nuts/8173)Class 29 is for all meats, including seafood, that are intended for human consumption. It also includes dairy products, nuts, fruits, and vegetables.

[**Class 30: Bread, Baking Ingredients, Coffee, and Tea –**](https://tingenwilliams.com/2018/trademark-class-30-breads-baking-ingredients-coffee-tea/8190)As the second food-related trademark class on this list, class 30 covers a wide range of food items prepared from plants.

[**Class 31: Natural Agricultural Goods –**](https://tingenwilliams.com/2018/trademark-class-31-natural-agricultural-goods/8192)Class 31 is for raw and unprocessed agricultural products and grains that are not included in other classes. For instance, seaweed, raw cocoa beans, and flower bulbs all fall under this class. This class also covers living animals, natural plants and flowers, and animal feed.

[**Class 32: Beverages –**](https://tingenwilliams.com/2018/trademark-class-32-beverages/8196)All non-alcoholic beverages, including bottled water, are in this class. All beer and beer products (like malt beer) are also included in Class 32. Syrups and other flavorings can also fall under this class, while things like milk, coffee, cocoa, and tea bases all fall under Class 29 and Class 30.

[**Class 33: Alcoholic Beverages –**](https://tingenwilliams.com/2018/trademark-class-33-alcoholic-beverages/8209)Wine, liquor, cocktail ingredients, and pre-mixed alcoholic beverages are in Class 33.

[**Class 34: Tobacco Products –**](https://tingenwilliams.com/2018/trademark-class-34-tobacco-products/8244)This class covers all products that contain tobacco or are related to smoking tobacco, such as cigarettes, matches, and ashtrays.

**Services**

[**Class 35: Advertising and Business Management –**](https://tingenwilliams.com/2018/class-35-trademark/7808)Class 35 is the first of the service classes. This is an intentionally broad category that includes all services that involve advertising, human resources, office services, and consulting.

[**Class 36: Insurance and Financial Services –**](https://tingenwilliams.com/2018/trademark-class-36-insurance-and-financial-services/8726)This class covers insurance, real estate, banking, and investment services.

[**Class 37: Repair, Installation, Construction, and Laundry Services –**](https://tingenwilliams.com/2018/class-37-trademark-repair-installation-construction-and-laundry-services/8248)Not only does this broad category include construction and repair services for buildings and technology, but it also covers vehicle and airplane maintenance. Mining and drilling, as well as laundry services, are also in Class 37.

[**Class 38: Telecommunication Services –**](https://tingenwilliams.com/2018/trademark-class-38-telecommunication-services/8260)Any service that allows one person to talk to another person, one person to send a message to another person, or one person to send a visual or audio message to another is in trademark Class 38.

[**Class 39: Shipping and Travel Services –**](https://tingenwilliams.com/2018/trademark-class-39-shipping-travel-services/8342)The travel industry is in Class 39. Anything related to getting people and products from one place to another falls under this classification. In this way, this class also includes any service related to the packaging, transport, and storage of goods.

[**Class 40: Treatment of Materials Services –**](https://tingenwilliams.com/2018/trademark-class-40-treatment-of-materials-services/8405)This trademark class has to do with the treatment or transformation of materials. This “treatment” usually involves chemical or mechanical processing, but it can also include the transformation of organic products. Common examples include blacksmithing, cloth dyeing, food preservation, and woodworking.

[**Class 41: Education and Entertainment Services –**](https://tingenwilliams.com/2018/trademark-class-41-education-entertainment-services/8369)Class 41 covers all services related to education or entertainment, both of people and animals. Some examples are publishing services, media production, and fitness centers.

[**Class 42: Science and Technology Services –**](https://tingenwilliams.com/2018/class-42-trademark/8269)Scientific and technological services, design, and the development of computer hardware and software are in Class 42.

[**Class 43: Restaurant and Hotel Services –**](https://tingenwilliams.com/2018/class-43-trademark/8224)Class 43 includes all names and marks related to accommodation and food services. This includes bed and breakfast hotels, animal boarding, and most bars and restaurants.

[**Class 44: Healthcare, Beauty, and Agricultural Services –**](https://tingenwilliams.com/2018/trademark-class-44-healthcare-beauty-agricultural-services/8424)Class 44 covers services which increase the health and beauty of people, plants, and animals. Remember that this class is for services, not the production of goods. So, while dog grooming would fall under this class, dog shampoo would not.

[**Class 45: Personal, Social, and Security Services –**](https://tingenwilliams.com/2018/trademark-class-45-personal-social-security-services/8428)Essentially, any business that protects, or supervises, property or individuals goes into this class. This definition is intentionally broad, as Class 45 covers a wide range of services from firefighting to pet sitting and legal services. Escorts, matrimonial agencies, and funeral services also fall under this class.

selecting, and evaluating trade mark

It includes Trademark Search

* Performing a trademark [TM] search is a crucial step before adopting a trademark. Trademarks are sought to protect the identity of a business/company. When a TM search is conducted, the possibility of a trademark being similar to an existing trademark is checked. Individuals and companies who fail to perform a TM search early on often regret later when they find themselves embroiled in expensive legal disputes or in situations when they are compelled to change their trademark, both of which could have been easily avoided with a simple TM search.
* Today the market is flourished with brands and each brand owner wants to claim exclusive rights towards their brand name. A new and unique brand name not only gives you an exclusive right over your trademark/ brand name but it also gives an exclusive image in the mind of the customers.
* The process of trademark registration should be always initiated with the conduct of TM search. The conduct of [trademark search in India](https://www.intepat.com/ip-services/trademark-india/trademark-search-india/) gives you the details of the existence of any similar brand names/trademark which can be similar to your brand name/trademark or else if there is no record of any brand name/trademark similar to yours. Trademark Search can be done after you check with your [Class Details](http://ipindiaonline.gov.in/tmrpublicsearch/classfication_goods_service.htm) (The Trademark Act, 1999 provides [trademark classification](https://www.intepat.com/blog/trademark/india-trademark-classification/) which 45 classes for various goods and services).

###### Why conduct the TM search?

* -TM search provides information and details of any existing similar brand name/ trademark similar to yours.
* -It provides information of brand name/ trademark which can be phonetically similar to your brand name/trademark.
* -Trademark search provides you information of any well-known marks which are similar to your brand name/ trademark.
* -It provides you with a list of [prohibited marks](http://ipindiaonline.gov.in/tmrpublicsearch/prohibitedmarks.aspx) (marks which are prohibited from registration by a private individual) so that you can check whether your brand name/ trademark falls under the list of such prohibited marks.
* -If yo
* ur brand name has a logo or device, TM search gives you information and details of similar brand name/ trademark under the [Vienna Code Classification](https://www.intepat.com/blog/trademark/vienna-codes-in-trademark-search/) (International Classification of figurative elements) similar to your brand name/ trademark.
* Therefore, Trademark Search is very much important to know whether your brand name/trademark can be registrable under the Trademark Act. If any similar trademark exists in the trademark registry, then alter your mark or select a new name. In case your brand-name is acquired distinctiveness in the market, then you can go ahead to register your brand-name. It is always advisable to conduct a trademark search before filing a trademark application for registration of the trademark. TM search gives you a gist of registrability of your trademark under The Trademark Act, 1999.

**Trademark Search Process**

**Conducting a Trademark Search**

1. Describe the Products or Services being sold with the mark.
2. Identify Specific Terms for Your Product or Service using the online Acceptable Identification of Goods & Services Manual. ...
3. Determine International Class. ...
4. Determine Related Goods or Services, and their Classes. ...
5. Develop a Basic **Search** Strategy.

Sources of Trademark search

* + Trademark data base
  + Search Websites
  + Online Search etc..

## Registration of Trademark:

As per section 18 (1) of the Trade mark Act, 1999, any person claiming to be the proprietor of a trademark used or proposed to be used by him may apply in writing in prescribed manner fro registration. The application must contain the name of the mark, goods and services, class in

which goods and services fall, name and address of the applicant, period of use of the mark.  
  
Any Person means a Partnership firm, association of persons, a company, whether incorporated or not, a Trust, Central or State government.  
Steps for registration of trademark-  
1. Search for the name, device, logo, and mark intended to be applied as trademark.  
2. Apply for registration of trademark and issue of Trademark allotment number by TM registrar  
3. Examination of application by the registry. Examination report issued by the registry raising objections under different sections of the Trademark Act, 1999.  
4. Replying to the official objections and if required, ask for hearing. Applicant needs to file evidence in support of the trademark application.  
5. Advertisementor Publishing of trademark in official gazette/trademark journal for the purpose of opposition filed by the public within 4 months from the date of publication.  
6. If no opposition is received, a certificate of registration is issued in favour of applicant. The validity period of registration certificate is for ten years and after that th same can be renewed subject to the payment of renewal fees.

## Infringement of Trade Mark:

Infringement is a breach or violation of another's right.  
As per Black's Law Dictionary Infringement means an act that interferes with one of the exclusive rights of a patent, copyright and trademark owner. According to the Trademark Act, 'A registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered. Infringement of trademark means use of such a mark by a person other than the registered proprietor of the mark.  
  
**As per Trademark Act, a mark shall be deemed to be infringed mark if:**  
1. it is found copy of whole registered mark with a few additions and alterations,  
2. the infringed mark is used in the course of trade,  
3. the use of the infringed mark is printed or usual representation of the mark in advertisement. Any oral use of the trademark is not infringement.  
4. the mark used by the other person so nearly resembles the mark of the registered proprietor as is likely to deceive or cause confusion and in relation to goods in respect of which it is register

## An action for infringement of trademark:

(a) the plaintiff must be the registered owner of a trademark  
(b) the defendant must be use a mark deceptively similar to the plaintiff's mark  
(c) the use must be in relation to the goods in respect of which the plaintiff's mark is registered,  
(d) the use by the defendant must not be accidental but in the course of trade.

UNIT – III

Law of copy rights

A copyright is a form of protection provided to auhors of "original works of authorship." This includes literary, dramatic, musical, artistic and certain other creative works

Fundamentals of copyright law:

protection from duplication through copyright regulation to those who create “original works.” While there are many items that fall under the umbrella of this protection, certain guidelines must be met in order to gain the full protection of the law. Works of visual art, musical recordings, video or sound broadcasts and literary works are all examples of things that may be copyrighted. Creations need not be published in order to qualify, though applying for a registered copyright is an imperative step toward complete legal protection.

Copyright Ownership The current law, established by the Copyright Act of 1976, provides for automatic protection the moment a work is created. No written notice is required. Once an item is in tangible form, it is considered the property of the owner and may not be duplicated or used for monetary gain by another person or entity.

Usually, the creator owns rights to the work, but there are several exceptions to that standard. Independent contractors often create parts of a larger literary work, such as an article that becomes a piece of a magazine or an essay published in an anthology. In any cases where work is considered “made for hire,” it becomes property of the hiring person or company. In such instances, the employer has full rights to the copyright. Other occasions when this may occur include:

• A translation

• Part of a film or screenplay

• A compilation

• An atlas

• An instructional manual or text

• A test or answer key for a test

• Supplementary material, such as an introduction, afterword, editorial note, appendix, etc. I

In other cases, employees may produce innovative work during employment for a company. These creations are considered the intellectual property of the employer, who reserves the copyright to all designs. Copyrights may sometimes be owned jointly. This occurs most often when two authors contribute to a written work with the intention of creating an inseparable finished product. Both authors share the ownership of the copyright and the privilege of equal profit regarding any proceeds the work may bring in.

Originality of Material

Originality is an important legal concept with respect to copyright.  Originality is the aspect of a created or invented work that makes it new or novel, and thereby distinguishes it from reproductions, clones, forgeries, or derivative works.  In this regard, an original work stands out because it was not copied from the work of others.

There is no objective minimum amount of content required for a work to be included within the scope of copyright.  The Copyright Act defines only two requirements for copyrightability: original authorship (“originality”) and fixation.  “Original” means a work created through the “fruits of intellectual labor.”  “Originality” therefore requires not only that the author has not copied the work from another, but also that there is “at least some minimal degree of creativity.”

“Originality” is a constitutional requirement for copyright applicability even though it was first stated explicitly by statute only with the introduction of the 1976 Copyright Act.  In the case of*Feist Publications, Inc. v. Rural Telephone Service,*the U.S. Supreme Court explained that the requirement of originality is not particularly stringent and is comprised of two elements: that the work be independently created by the author (as opposed to copied from other works) and that it possesses at least some minimal degree of creativity.  A work satisfies the “independent creation” element so long as it was not literally copied from another, even if it is fortuitously identical to an existing work.  The “creativity” element sets an extremely low bar that is cleared quite easily.  It requires only that a work possess some creative spark, no matter how crude, humble, or obvious it might be.

Fixation of Material

It is one established principle of **copyright** law that **copyright** protection cannot be provided to a work until and unless the work is expressed in some tangible form. This requirement of expressing the idea is known as the requirement of **fixation** in **copyright**. Ex. Phono Record

Works of Authorship

which includes Literary works, Artistic works, chorographical works, musical works, audio visual works, architectural works etc.

## What Does Copyright Cover?

Copyright protection extends only to original works of authorship that are fixed in a tangible form (a copy).

“Original” means merely that the author produced the work by his own intellectual effort, as distinguished from copying an existing work.

Copyright protection may extend to a description, explanation, or illustration, assuming that the requirements of the copyright law are met.

Exclusions from Copyright protection

Five things the Copyright Office clearly states are not protected by copyright—even if they are a tangible expression of an idea or thought.

**1. Ideas, Methods, or Systems**

Ideas, methods, and systems are not covered by copyright protection.

* Making, or building things
* Scientific or technical methods or discoveries;
* Business operations or procedures
* Mathematical principles
* Formulas, algorithms
* Any other concept, process, or method of operation

**2. Commonly Known Information**

This category includes items that are considered common property and with no known authorship.

This includes phrases such as “The sky is blue,” which have no known authorship associated with them.

Other examples include:

* Standard calendars
* Height and weight charts
* Telephone directories
* Tape measures and rulers
* Lists or tables taken from public documents

**3. Choreographic Works**

A choreographic work, whether original or not, is not subject to copyright protection unless it has been videotaped or notated.

The same applies to speeches that have not been transcribed before or after they are given, as well as any other types of performances.

**4. Names, Titles, Short Phrases, or Expressions**

That catchy slogan you came up with for your business? No dice on a trademark.

The good news is that while not protected by copyright, if it pertains to your business (for example, goods and services), it can be protected with a trademark.

Also exempt:

* Names
* Titles
* Short phrases or expressions
* Product descriptions
* Pseudonyms
* Titles of works
* Business names

Recipes also fall under this category. Specifically the listing of ingredients (even if it's your own recipe ingredients) is not protected by copyright.

This applies to formulas, compounds, and prescriptions as well.

There are exceptions however, such as when recipes are compiled in a cookbook. Or if the recipe is accompanied by “substantial literary expression," or a specific combination of recipes, there may be a basis for copyright protection.

**5. Fashion**

Contrary to what you might think, fashion (that is, a shirt, dress, or other article of clothing) is not protected by copyright law.

Despite the fact that copyright law protects such things as architectural design works or works of the visual arts fashion is all about clothing and accessories, which under copyright law are considered “useful articles."

It is possible however, to copyright a specific fabric pattern (Burberry plaids for example), but not the actual dress.

And, it should be noted that while designs can't be copyrighted, they can be patented.

1. Public domain works: It means free for all members of the public to use and exploit Ex: Expired copyrighted works
2. Facts are not protected Ex. Population Statastics, Birth certificate etc.
3. Computing and measuring devices

Rights of Copyright Owner

The Copyright Act grants five rights to a copyright owner, which are described in more detail below.

* [the right to reproduce](https://www.bitlaw.com/copyright/scope.html#reproduction) the copyrighted work
* [the right to prepare derivative works](https://www.bitlaw.com/copyright/scope.html#derivative) based upon the work
* [the right to distribute copies](https://www.bitlaw.com/copyright/scope.html#distribution) of the work to the public
* [the right to perform](https://www.bitlaw.com/copyright/scope.html#performance) the copyrighted work publicly
* [the right to display](https://www.bitlaw.com/copyright/scope.html#display) the copyrighted work publicly
* in the case of [sound recordings](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=17-USC-1729485709-364936160&term_occur=999&term_src=), to[perform](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=17-USC-678828191-364936160&term_occur=999&term_src=title:17:chapter:1:section:106)the copyrighted work[publicly](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=17-USC-1293601206-364936160&term_occur=999&term_src=title:17:chapter:1:section:106)by means of a digital audio transmission

Right of Reproduction

 The exclusive right to reproduce work is the core function of copyright and gives it its name.  Reproduction is the act of producing physical objects that contain or embody the copyrighted work.  Only the copyright owner can make or control reproduction of their work.  Reproduction commonly occurs in the form of publishing books from a manuscript, pressing records from a musical work, and manufacturing DVD’s from a motion picture.  Unauthorized reproduction occurs when someone photocopies that book, samples that music without permission, or pirates a copy of that film off the internet.

The general rule, as stated above, is only the copyright owner can control the reproduction of the work.  There are, however, a couple important exceptions to this rule (aren’t there always exceptions to the rule?):

* “Fair Use” reproduction: This allows someone to make an authorized copy of the work if it’s for the purpose of education, commentary, criticism, parody of other similar reason.  Keep in mind, though, that the copy is limited to only what is necessary for the goal of fair use.  This means a critique of a music album can only fairly use samples of the music, not make an entire copy of the album.
* Libraries and educational institutions can make a limited number of copies as provided by law.

An issue of Fair Use is the most common exception that people cite to when making unauthorized copies.  Many defendants claim Fair Use when [copyright owners sue them for copyright infringement](https://goodattorneysatlaw.com/copyright-goes-crazy-mothers-claim-of-fair-use-via-youtube-on-trial/).

Reproduction of musical works also has its own separate, unique rule from other types of copyrighted work.  Anyone can make their own copies without permission and distribute them once a copyright owner records and makes first distribution of their audio only works (think CDs, not music added to film or TV).  This is a *compulsory license*.  The copies are legal, even though they are made without permission, but a royalty (9.1 cents per song or 1.75 cents per minute) must be paid to the copyright owner for each copy distributed.  This system is not very practical, however, so different agreements are commonly made.  The Harry Fox Agency is well known for arranging deals between copyright owners and third party distributors.

As a final note, copyright infringement can occur even when someone doesn’t make a complete copy of the work.  The copy need only be substantial and material.  Chopping off parts of a song or omitting a few tracks from an album can still be a violation of the law.

* [the right to prepare derivative works](https://www.bitlaw.com/copyright/scope.html#derivative) based upon the work

A derivative work starts with a pre-existing, copyrighted work.  A different author then recasts, transforms, or adapts it to create something new and original.  The exclusive right to prepare derivative works is also known as the adaptation right.  As an exclusive right, the copyright owner of the pre-existing work alone has authority to prepare derivative works.  Derivative rights also tend to overlap with the reproduction right because you’re reproducing a part of the original in the derivative work.  The derivative right exists primarily to prevent others from stealing your ideas for their gain.  It also works, however, to stop others from changing the meaning of an original work unless they have the author’s permission.

Adaption may also occur when there is a:

* + - Translation
      * Dramatization
* Fictionalization
* Editorial revisions
* Annotations
* Elaborations
* Abridgment

Compilations (musical or factual) are NOT derivative works, but can still enjoy copyright protection under a different part of the law.

Copyright protection extends to derivative works, just as it does to the original work.  This protection, however, only covers the new and original material added to a pre-existing work. There must also be a substantial difference between the new and original work.  Creating a derivative work doesn’t give that creator any ownership over the original work.  It also doesn’t enlarge or extend the copyright protection of the original work.

* [the right to distribute copies](https://www.bitlaw.com/copyright/scope.html#distribution) of the work to the public

A distribution right refers to a copyright holder’s exclusive right to sell, lease, or transfer copies of the protected work to the public. It is also known as first sale doctrine. Distribution right authorizes a copyright holder to distribute copies or phonorecords of a copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending.

* [the right to perform](https://www.bitlaw.com/copyright/scope.html#performance) the copyrighted work publicly

To perform or display a work ‘publicly’ means—

1. to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or
2. to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times.

* [the right to display](https://www.bitlaw.com/copyright/scope.html#display) the copyrighted work publicly
* In a similar way, authors have the exclusive right to control the public display of works that can be displayed—like photographs or graphic designs. This right can also include displaying a literary work on a web page or displaying a single image from a TV show or motion picture. The public display right is similar to the public performance right, except that this right applies to the display of a work as opposed to its performance. However, the right does not prevent the owner of a lawfully owned copy from displaying the copy to people who are present where the copy is located.
* In the case of [sound recordings](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=17-USC-1729485709-364936160&term_occur=999&term_src=), to[perform](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=17-USC-678828191-364936160&term_occur=999&term_src=title:17:chapter:1:section:106)the copyrighted work[publicly](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=17-USC-1293601206-364936160&term_occur=999&term_src=title:17:chapter:1:section:106)by means of a digital audio transmission

Owners of rights in sound recordings have the exclusive right of public performance by means of digital transmission. This enables, for instance, sound recording owners to license their work to streaming music services. This right only applies to sound recordings. Unlike other copyright owners (who are covered by the performance right (discussed above)), copyright owners of sound recording get a much more limited performance right – the right to publicly perform the sound recording only when the performance occurs by means of a digital audio transmission.

Copyright Ownership Issues:

**Initial Ownership**

Ownership of copyright initially belongs to the author or authors of the work.

The "author" is generally the individual who created the work, but there is an exception for "works made for hire."

**The Work Made for Hire Rule**

The "author" of [a work made for hire](https://corporate.findlaw.com/intellectual-property/copyright-ownership-the-work-made-for-hire-doctrine-i.html) is the employer or hiring party for whom the work was prepared. This default ownership rule is known as the work made for hire rule. Unless the parties have agreed otherwise in a signed written document, the employer or hiring party owns the copyright of a work made for hire.

There are actually two branches to the work made for hire rule: one covering works made by employees, and one covering specially commissioned works.

**Works Made by Employees**

A work created by an employee within the scope of his or her employment is [a work made for hire](https://corporate.findlaw.com/intellectual-property/copyright-ownership-the-work-made-for-hire-doctrine-ii.html). The employer for whom the work is made is the "author" of the work for copyright purposes and is the owner of the work's copyright (unless the employee and employer have agreed otherwise).

The work made for hire rule does not give employers ownership of works made by employees outside the scope of their employment.

**Specially Commissioned Works**

The second category of works made for hire is limited to eight types of specially ordered or commissioned works. These are works commissioned for use as:

* A contribution to a collective work.
* Part of a motion picture or other audiovisual work.
* A translation.
* A supplementary work.
* A compilation.
* An instructional text.
* A test or answer material for a test.
* An atlas.

For these types of works, if the hiring party and independent contractor creating the work agree in writing to designate the work as a work made for hire, the work is a work made for hire. If the parties do not have an agreement to treat the [independent contractor's work](https://corporate.findlaw.com/human-resources/overview-of-independent-contractor-guidelines.html) as a work made for hire, it's not a work made for hire.

Even if the hiring party and independent contractor agree in writing to consider the independent contractor's work a work made for hire, the work is not a work made for hire unless it falls into one of the eight special categories listed in the first paragraph of this subsection.

**Joint Authorship and Ownership**

According to the Copyright Act, the authors of a joint work [jointly own the copyright](https://corporate.findlaw.com/intellectual-property/copyright-ownership-the-joint-authorship-doctrine.html) in the work they create. A joint work is defined in Section 101 of the Copyright Act as "a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole."

**Example:** Ann and Bruce worked together to create a multimedia work, with Ann developing the software and user interface and Bruce developing the content. The work is a joint work, and Ann and Bruce jointly own the copyright.

You do not become the author of a joint work merely by contributing ideas or supervision to a work. You do so by contributing material that meets the standards for copyright protection.

**Example:** Susan suggested that John write a book on how to beat the stock market, and John did so. Susan is not a joint author of John's book.

When the copyright in a work is jointly owned, each joint owner can use or license the work in the United States without the consent of the other owner, provided that the use does not destroy the value of the work and the parties do not have an agreement requiring the consent of each owner for use or licensing. A joint owner who [licenses a work](https://smallbusiness.findlaw.com/intellectual-property/copyright-licenses.html) must share any royalties he or she receives with the other owners.

Many foreign countries (Germany and France, for example) require that all joint owners consent to the grant of a license. Generally, joint ownership is not recommended because of the complications it adds to licensing worldwide rights. In addition, it is unclear what effect the filing of bankruptcy by one joint owner would have on co-owners.

**COMMUNITY PROPERTY**

In nine states (Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin), any property acquired during a marriage is jointly owned by the husband and wife. Several years ago, a court in California held that the copyrights in several books created by a man during his marriage were jointly owned by the man and his wife. The court's reasoning - that the copyrights were [community property](https://family.findlaw.com/divorce/community-property-overview.html) because they were the result of one spouse's expenditure of time, effort, and skill during the marriage - could apply to patents, trademarks, and trade secrets as well.

**ASSIGNMENTS**

A transfer of copyright ownership is known as an assignment. When a copyright is assigned, the assignee (individual or company to whom it is assigned) becomes the owner of the exclusive rights of copyright in the protected work.

**Example:** Tom, an individual working on his own, created multimedia software and then assigned the copyright in the software to Developer. After the assignment, Developer has the exclusive right to reproduce and publicly distribute the software. If Tom starts selling the software, he will be infringing the Developer's rights as copyright owner.

The ownership of copyright may be transferred in whole or in part. Examples of partial transfers are an assignment of the copyright for a term of 10 years (time limitation) and an assignment limited to California (geographic limitation). In addition, the individual exclusive rights (reproduction, modification, and so forth) can be transferred.

Assignments are common in many industries - for example, music composers often assign copyrights in their compositions to music publishers.

An assignment is not valid unless it is in writing and is signed by the owner of the rights conveyed or the owner's authorized agent.

An assignment can be recorded in the Copyright Office to give others "constructive notice" of the assignment. Constructive notice is a legal term that means you are presumed to know a fact (because it is a matter of public record) even if you have no actual knowledge of the fact.

Recording an assignment in the Copyright Office to give constructive notice protects the assignee from future conflicting transfers. An assignment that is recorded properly within one month after its signing prevails over a later assignment. If the assignment is signed outside the U.S., the assignee has two months to record it.

**Example:** Songwriter assigned the copyright in her song to Music Publishing Co. in Boston on August 1, 1993. On August 15th of the same year, Songwriter assigned the copyright in the same song to Media Enterprises. So long as Music Publishing Co. recorded its assignment properly in the Copyright Office by September 1, Music Publishing Co. owns the copyright because its assignment prevails over Songwriter's later assignment to Media Enterprises.

A properly recorded assignment even prevails over an earlier assignment that was not recorded if the later assignment meets two criteria:

1. The later assignment was taken in good faith and without notice of the earlier assignment.
2. The assignee paid money or something of value for the assignment or made a promise to pay royalties.

**Example:** Author assigned the copyright in his novel to Publishing, Inc. on November 1, 1993. Publishing, Inc. did not record the assignment. On January 15, 1994, Author assigned the copyright in the same novel to Media, Inc. for $10,000. Media, Inc. recorded its assignment in the Copyright Office. So long as Media, Inc. acted in good faith and did not know or have reason to know about Author's 1993 assignment to Publishing, Inc., Media, Inc. owns the copyright. The assignment to Media, Inc. prevails over Author's earlier assignment to Publishing, Inc.

**Licenses**

A license is a copyright owner's grant of permission to use a copyrighted work in a way that would otherwise be copyright infringement. A copyright owner who grants a license is known as a licensor. A party receiving a license is known as a licensee.

Implied in every license is a promise by the licensor to refrain from suing the licensee for infringement based on activities within the scope of the license.

A copyright license can be exclusive or nonexclusive. An exclusive license is a license that does not overlap another grant of rights.

**Example:** Author granted Publisher the exclusive right to sell Author's novel in the United States. She granted Movie Developer the exclusive right to create and distribute a movie version of the novel. Both Publisher and Developer have exclusive licenses. There is no overlap between the two licenses.

Under copyright law, an exclusive license is considered a transfer of copyright ownership. An exclusive license, like an assignment, is not valid unless it is in writing and signed by the owner of the rights conveyed. A nonexclusive license is valid even if it is not in writing.

An exclusive license, like an assignment, can be recorded in the Copyright Office to give constructive notice. Recording the exclusive license protects the license against unrecorded earlier transfers of copyright ownership and against later transfers.

**Termination Right**

The author of a work other than a work made for hire has the right to terminate any license or assignment granted on or after January 1, 1978 during a five-year period that starts 35 years after the grant was made. If the grant involves the right to distribute the work to the public, the termination period begins 35 years after distribution begins or 40 years after the grant was made, whichever is earlier. For works published before January 1, 1978, the five-year termination period begins fifty-six years after the work was first published.

The termination right cannot be waived in advance. If the author dies before the termination period begins, the termination right can be exercised by the author's widow or widower, children, and grandchildren.

**Owning a Copy of a Work**

Copyright law distinguishes the ownership of a copy of a protected work (a print of a photograph, a compact disc, a book, a diskette) from ownership of the intangible copyright rights. The transfer of a copy of a work does not transfer any rights in the copyright. Thus, purchasing a book (a copy of a literary work, in copyright terminology) does not give you permission to make copies of the book and sell those copies.

There are two exceptions to the preceding paragraph's first sentence. If you buy a copy of a work, you have a right to resell (distribute) that copy. This exception is known as the "first sale doctrine." You also have the right to display your copy publicly, "either directly or by the projection of no more than one image at a time, to viewers present at the place where the copy is located." These two exceptions do not give you any right to exercise the copyright owner's reproduction, modification, or public performance rights.

**Example:** Don bought a copy of Publisher's multimedia work. Don can resell his copy of the work. The "first sale doctrine" gives him that right. If he makes copies of the work, though, he will be infringing Publisher's copyright.

**Copyright Registration**

## Steps for Copyright Registration

## Step 1: Filing the Application

Along with the requisite fee, an application needs to be submitted either in DD/IPO. Once this application is filed, a diary number is generated and issued to the applicant.

## Step 2: Examination

There is a minimum wait of 30 days for recording and analysing any objections that may come up against the copyright application

**a. In case of no Objection:**  
The application goes ahead for scrutinization by an examiner. This scrutiny gives rise to two options:

**1. In case of discrepancy found during scrutiny:**  
A letter of discrepancy is sent to the applicant letter is generated and sent to the applicant.

Based on the reply from the applicant, the registrar conducts a hearing of the alleged discrepancy row

Once the discrepancies are sorted during the hearing, the extracts of the same are sent to the applicant for him/her to register the copyright

**2. In case of zero discrepancy:**  
This would mean that the copyright application fulfils all criterion required for the copyright. The applicant is then given the nod to go ahead with the registration of the same.  
(If the registration is not approved, then the applicant received a letter of rejection)

**b. In case of an objection filed:**  
While we listed above the scenarios of ‘no objections’, in case one is faced with an objection, the following proceedings take place:  
Authorities send out letters to the two concerned parties, trying to convince them to take back the objection

After requisite replies from the third party, the registrar conducts a hearing

Depending on whether the registrar accepts the reply, the procedure takes shape

**1. If the application is accepted:**  
The application being accepted means that the objection has been rejected. The application goes ahead for scrutinization by an examiner. This scrutiny gives rise to two options:

**2. In case of discrepancy found during scrutiny:**  
A letter of discrepancy is sent to the applicant letter is generated and sent to the applicant.

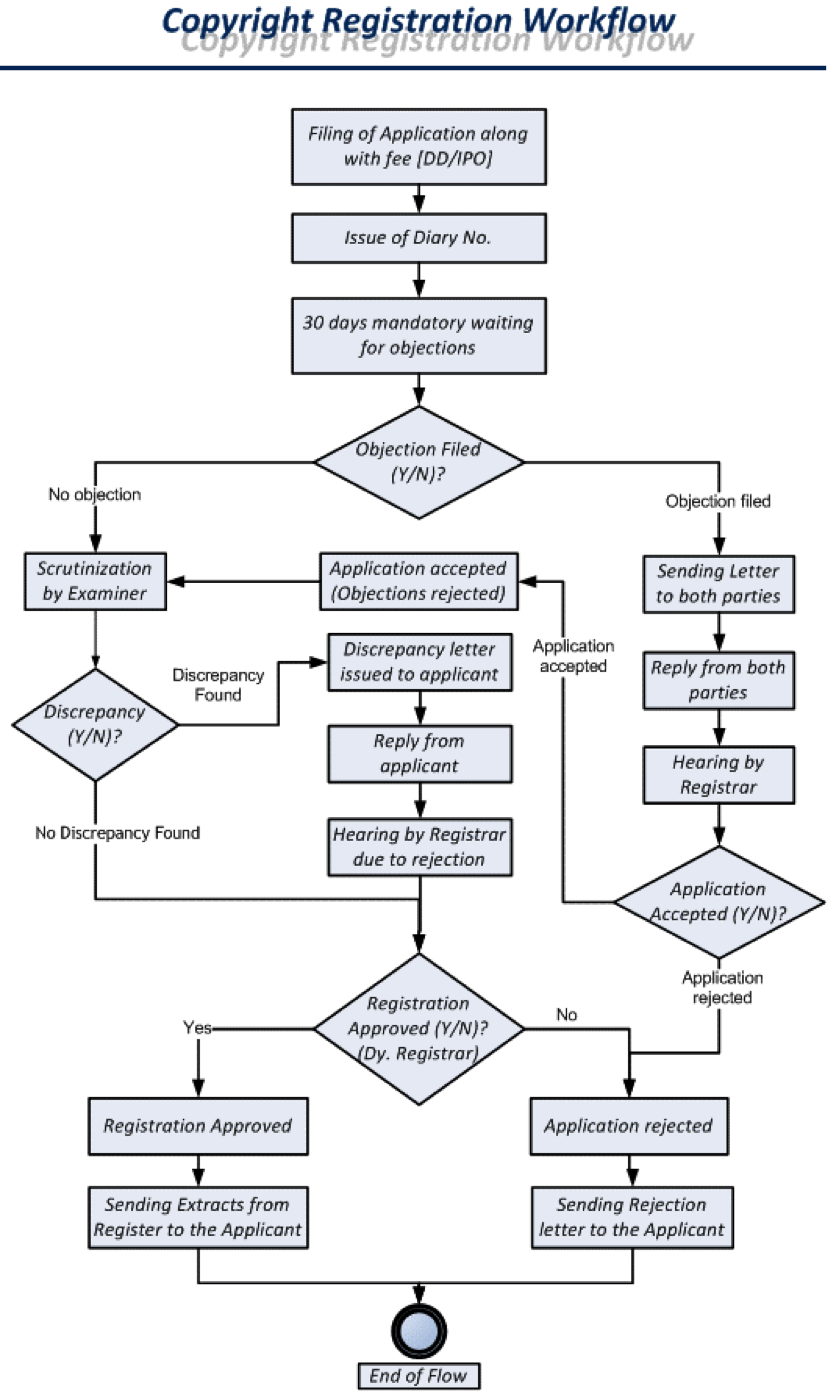
Based on the reply from the applicant, the registrar conducts a hearing of the alleged discrepancy row

Once the discrepancies are sorted during the hearing, the extracts of the same are sent to the applicant for him/her to register the copyright.

## Step 3: Registration

As can be seen from the aforementioned steps, the registration solely depends on the registrar. Once everything is cleared from the registrar’s end, the applicant received the copyright and can legally exercise all rights that come with the owner of that copyright.

Copyright is a form of the intellectual property law. It is registered to protect original pieces of work such as music, art, literature, cinema/film, photography or a computer program. There are in-depth categories that can be registered for copyright by the creators. It will give exclusive and complete rights to the creator of the work.



### Copyright Notice:

The copyright notice generally consists of three elements:

1. The symbol © (the letter C in a circle), or the word "Copyright" or the abbreviation "Copr.";
2. The year of first publication of the work; and
3. The name of the owner of copyright in the work.

Example: © 1996 Jane Doe

If the work is unpublished, the appropriate format for the notice includes the phrase "Unpublished Work" and the year of creation.

Example: Unpublished Work © 1995 John Doe

The "C in a circle" notice is used only on "visually perceptible copies." Certain kinds of works--for example, musical, dramatic, and literary works--may be fixed not in "copies" but by means of sound in an audio recording. Since audio recordings such as audio tapes and phonograph disks are "phonorecords" and not "copies," under the Copyright Act, the "C in a circle" notice is not used to indicate protection of the underlying musical, dramatic, or literary work that is recorded. Instead, a symbol composed of the letter "P" in a circle is used. Since computer software and apps for mobile devices are considered to be visually perceptible (with the aid of a machine), the copyright notice for software and apps should use the C in a circle format.

### Importance of Copyright Notice

Even though the copyright notice is no longer required, it should still be placed on all published works. Use of the notice is recommended for the following reasons:

* it informs the public that the work is protected by copyright (and thereby helps to scare aware potential infringers);
* it prevents a party from claiming the status of "innocent infringer," which may allow a party to escape certain damages under the Copyright Act; and
* it identifies the copyright owner and the year of first publication (so that third parties will know who to contact to request a license to the work).

There is no need to register the work with the Copyright Office or to seek any other kind of permission before using the copyright notice.

**Location of Copyright Notice**

**Works published in Book form:** Notice is placed on title page, the immediately following title page, either side of front or back cover or first or last page of work.

**Single leaf works:** Notice can be placed anywhere on front or back of the leaf.

**Computer programs and works produced in machine readable copies** The notice may appear with or near the title or at the end of the work, on visually perceptible printouts, at the user terminal at sign in, on continuous display on the terminal.

Audio visual works The notice may be placed with or near the title or if it is DVD or videotaped then notice can be plac3d on permanent container.

Copyright infringement

Copyright infringement pertains to the violation of someone's intellectual property (IP). It is another term for piracy or the theft of someone’s original creation, especially if the one who stole recoups the benefits and not the creator of the material.

### Remedies for Infringement

**Injunctions**The improper copying of protected work can cause damages to reputation as well as direct financial damages., in which the infringing party is ordered by the court to do what was requested in the letter: cease and desist.

Because ongoing infringing use can cause continued damages, courts can also issue preliminary injunctions, ordering a defendant to cease a certain activity even before the case is heard. But even the issuance of a preliminary injunction requires a hearing, and while waiting for that hearing, a plaintiff can turn to yet another mechanism, the temporary restraining order (TRO) which would put a more immediate end to the defendant’s activity.

While not every defendant loses, and therefore some TROs and temporary injunctions are issued in cases where the defendant actually did have a right to engage in the temporarily suspended activity, the plaintiff’s interests here are significant. Injunctions and TROs are necessary in copyright cases because monetary damages will often be insufficient to make up for the harm done by some infringers.

**Impoundment**In addition to the powers a court has over defendants before the close of a case, a plaintiff can request that the court order the impoundment of any potentially infringing merchandise or other objects. If there is an ultimate finding of improper infringement, this material will be destroyed or otherwise disposed of.

**Money Damages and Attorney’s Fees**

###### Law of Patent

###### Meaning of Patent

A patent is a legal document that is granted to an inventor by the [patent office](https://www.intepat.com/blog/patent/file-patent-indian-patent-office/) in order to protect the subject matter seeking protection. Simply put, a patent is an exclusive right conferred by the Government on an inventor, to prevent others from exploiting the patent without his permission. Essentially, a patent is granted for an invention.

However, a patent will be granted only if it satisfies the conditions of [patentability](https://www.intepat.com/blog/patent/what-can-be-patented/). These conditions of patentability are universal with slight differences in their way of interpretation.

**Novelty**: In order to obtain a [patent](https://en.wikipedia.org/wiki/Patent) for an invention, the inventor is required to make sure that the invention consists of one or more elements that are new, failing which, the invention will not qualify for patenting.

**Non-obviousness**: Along with novelty, the invention is required to be non-obvious. As in, any person possessing skills in the particular field of the invention must not find the invention to be easy and obvious.

**Patent must be useful**

**Invention must belong to patent subject matte** i.e either utility patent, plant patent or design patent.

A patent provides a right to an inventor(s) to exclude others from exploiting the [patented](https://www.intepat.com/blog/patent/what-can-be-patented/) invention. Therefore, other than the inventor cannot use, make or sell the patented invention without permission from the inventor. This is often referred to as the exclusive right of the invention. The inventor can capitalize on this exclusive right and make his patent commercially viable.

###### Exclusions from Patent

-Products of nature

-Laws of nature

-Printed matter

-Atomic weapons

-Non useful business methods and mental steps

###### Importance of Patent:

**Exclusive Rights**: As mentioned earlier, patents provide exclusive rights which allow the inventor to exclude others from using the invention. Particularly, for 20 years from the date of filing the patent application.

**Strong Market Position**: Since the inventor has obtained the exclusive right to the invention, the inventor can exercise this right by preventing others from commercially using the patented invention thereby reducing the competition and thus establishing a place in the commercial market.

**Higher Returns on Investments**: Having invested a considerable amount of time and money in developing the invention, under the umbrella of exclusive rights, the inventor could bring in the invention to the commercial market and thus obtain higher returns on the investment. Of course, this depends on the economic utility of the patent. For this reason, the inventor must ensure the commercial viability of the patent before investing in a patent.

**Opportunity to License or Sell the Invention**: Sometimes, the inventor might not want to exploit the invention himself. In such cases, the inventor can sell or [license](https://www.intepat.com/blog/patent/patent-license-resource/) the rights to commercialize it to another enterprise. This would result to bring royalty and revenue to the inventor.

**Positive Image for the Enterprise**: Business partners, investors, and shareholders may perceive the patent portfolios as a demonstration. Particularly, the high level of expertise that is provided by the subject matter experts. This acts as a spectacle of the organization’s capability. Further, this may prove useful for raising funds, finding business partners and also increase the company’s market value.

## Different Types of Patent

* **Utility patents**:
* **Design patents**:
* **Plant patents**:.
* **Utility Patents:** These are patents that cover how a product or process functions. For instance, you can get a [utility patent](https://www.upcounsel.com/utility-patent) to cover your new hair dryer invention. Utility patents last for 20 years.
* Utility patents include processes, machines, manufactures or compositions of matter. A process is defined as the act or method of doing something and is primarily restricted to technical and industrial ways of doing things. While a machine is an object, such as a calculator or a refrigerator, made up of other materials and serves a specific purpose, a manufacture is any good or product that is created. Chemical solutions and ingredient blends, on the other hand, are considered compositions of matter. Utility patents cover the invention of these objects, their functionality, their use and how they work. As you can see, utility patents are such a large class that it might seem that nearly everything in existence might fit into this category.
* **Design Patents:** A [design patent](https://www.upcounsel.com/design-patent) covers how a product looks. It has nothing to do with the product's usefulness, but you can only get a design patent for a useful product or process. Design patents last for 14 years.
* Unlike utility patents, design patents primarily deal with the physical appearance and surface aesthetics of an object, manufacture or machine. Design patents do not cover the functionality, structure or use of something, but only the details of its novel exterior or interior makeup. In essence, a design patent is useful for guarding the way something looks as well as its ornamental value. Many inventors choose to obtain both utility and design patents for their inventions, as these two patents will together cover an object’s aesthetic appearance and functionality. When you apply for a design patent, you will be asked to submit a detailed drawing of the design you wish to claim the creation of.
* **Plant Patents:** If you create a new species of plant, a [plant patent](https://www.upcounsel.com/plant-patent) prevents other people or companies from breeding it. Like utility patents, they last for 20 years Those who have invented or discovered a new species of plant are eligible to apply for a plant patent. This unique type of patent requires that the inventor or discoverer be able to make the plant reproduce through an asexual process of reproduction, or a process of duplicating the new plant that does not involve seed. Cutting or grafting the plant are two ways you might be able to cause it to reproduceby other than normal method and qualify for a plant patent.
* A patent is a smart way to protect new invention, whether coming up with a new way of doing something or an entirely novel object. By choosing the correct patent for invention, you will take an important step in guarding your creation from being stolen, copied by another inventor.

## What is an Invention?

It is important to define what would constitute invention under the [Patent law](https://www.quickcompany.in/articles/an-overview-of-indian-patent-act) in order to clear the ambiguity among the inventors.

Simply put, the invention is something that is not anticipated by publication in any journal or any other document around the world before the filing of the application.

## Types of Patent Applications in India

### Provisional Patent Application

A [provisional application](http://www.quickcompany.in/articles/everything-about-provisional-patents) is a non- final application that is filed when an invention has not yet matured. It is beneficial only in the countries that follow the first to file system. The application helps you secure priority rights over the concept of technology and also eventually cuts down the overall cost of the patent application.

**Keep in Mind**: Provisional application needs to be accompanied by Complete specification within 12 months from the date of filing.

### Convention Patent Application

When a patent applicant files an application in a convention country and then within 12 months of the application files another application in India claiming the [priority date](https://www.quickcompany.in/articles/what-is-priority-date-patent-key-aspects) of convention application.

### PCT National Phase Patent Application

A PCT application is a type of application which is governed by the Patent Corporation Treaty (PCT). PCT has been ratified by 142 countries, and hence the applicant can claim priority in multiple countries.

The applicant has a time limit of **30 months** from the date of priority date filing to file national phase entry application.

### Ordinary Patent Application

An application that is filed with the patent office without claiming any priority date or in connection with any prior application filed. The date on which the application is filed is considered the beginning of the timeline of the application.

### Patent of Addition

After the grant of a patent has been obtained there is always a scope of improvement in an application and hence modification has to be made so as to improve the ordinary process of improving an invention.

### Divisional Application

As the name suggests, a divisional application is where those patent applications where the invention is divided from one another as a patent is granted only for a single invention.

The division mostly is done when the examiner finds that the application contains more than one invention with inventive step and hence separate application is to be filed.

## The Term of Patent Protection in India

India conforms to TRIPS agreement for establishing laws of protection for inventions. The term of protection that has been addressed in section 53 of the Indian Patents Act is 20 years; without any possibility of renewal.

### Patent Searching: Patent searching is conducted to ensure no similar invention exists.

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### Patent Registration Process

### STEP1: Patent Searches

Step by Step Procedure For Patent registration in India [**Procedure Patent Registration in India**](https://www.setindiabiz.com/patent-registration.html) searches are conducted and worldwide to know the novelty of an invention. Generally, it is considered safe to do patent searches before patent application filing. If an invention is found in prior arts or closes to prior arts then the novelty of that invention can be challenged by the Indian Patent Office. Therefore, it is important to perform prior art searches in order to save the money and time of an applicant.

### STEP2: Patent Drafting

Step by Step Procedure For Patent registration in India After conducting thorough searches worldwide, the invention is written in a techno-legal language known as the specification which can be with or without claims. Without claims is the provisional specification and with claims is the complete specification. The specification specifies the field of invention, detailed description of the invention with working examples and the best method to perform an invention so that a person skilled in the art can perform the invention. The legal part comes with the claims of the invention which define the legal protection sought by an inventor.

### STEP3: Patent Application Filing

Step by Step Procedure For Patent registration in India A patent application filing is the first step towards obtaining a patent. [**Procedure Patent Registration in India**](https://www.setindiabiz.com/patent-registration.html) application filed as a provisional application is generally filed to claim priority date over other applications. A patent application consists of series of forms prepared according to the Indian Patent Act, 1970. The drafted provisional or complete specification is filed in Form-2 of the Indian Patent Act,1970. If a provisional patent application is filed then within 12 months of its filing complete specification has to be filed. There are 6 different kinds of filing filed in the Indian Patent Office. These are:

1. Ordinary application
2. PCT National phase application
3. PCT International application
4. Convention application
5. Divisional application
6. Patent of addition application

#### STEP4: Publication of Patent Application

Once the [**Procedure Patent Registration in India**](https://www.setindiabiz.com/patent-registration.html) has been filed, then after the expiry of 18 months from the date of filing or date of priority whichever is earlier, the application is published in an official journal and is open to the public. This is a chance given to the public to raise an objection if any.

#### STEP5: Examination of Patent Application/Patent Prosecution

The patent application is examined only when a request for examination has been filed. The request for examination has to be filed within 48 months of the application filing date or date of the priority. The patent examiner examines a patent application and issues an examination report. The examination report contains a series of objections raised by an examiner. The response to an examination report has to be filed within 12 months of the issuance of the examination report. If needed examiner calls applicant or his agent for hearing. This phase is called as patent prosecution.

#### STEP6: Grant of a Patent

After all objections to the examination report have been compiled and the examiner is satisfied with the reply of an applicant, the application is put in order for grant. On the other hand, if the examiner is not satisfied with the reply and arguments of an applicant, then he/she can reject the application.

## Patent Infringement

When someone sells, imports, uses, or makes a product that someone else invented without permission, patent infringement has occurred. Patent infringement is easy to do, as all patent information is public and accessible by anyone.

While it may be simple, the act is illegal. In the event a patent holder decides to sue, the court will often step in and stop the illegal activity from continuing and sometimes punish the infringer with penalties such as monetary awards to the patent holder. Since patented ideas often come with many sections or parts, it is possible to have several claims for infringement of one patent.

## Types of Patent Infringement

* **Direct infringement.** Someone creates the product without the patent holder's permission. The infringer doesn't have to know that the patent exists in order for the patent owner to sue him or her for direct infringement. That person can't make, use, offer, sell, or import a patented invention whether or not he or she knows a patent exists.
* **Indirect infringement.** The infringer did not directly infringe on the patent but may have encouraged or helped to [infringe on the patent](https://www.upcounsel.com/types-of-patent-infringement).
* **Induced infringement.** This refers to inducing or persuading someone to make a patented invention. This term is often used in the same way as indirect infringement.
* **Contributory infringement.** Someone provides a part or a product to help someone else infringe a patent. That part or product must not have any other reasonable use.
* **Literal infringement.** To prove literal infringement in court, all elements of a defendant's device or idea must be present in the patented one.
* **Willful infringement.** Willful infringement means that another person or company purposely used someone else's patented ideas or products. A simple way to disprove willful infringement is to hire a patent attorney, who presumably will inform his or her client if infringement is about to occur. It's common for a court to award treble damages in cases of willful infringement, which can serve to prevent it due to their size.

## Doctrine of Equivalents

The Doctrine of Equivalents refers to something that is created in such a way that it does the same thing, in the same way, producing the same result as the patented item. It is relevant even when the new product is better or different from the original. This doctrine is only relevant if the patent holder can prove that amending his or her patent claims doesn't give up the equivalents. This case changed the standard in a way that is confusing even for experienced patent lawyers.

penalties include the following:

* **Permanent injunction.** A court could decide to grant a permanent injunction, or post-trial injunction, if the infringer is found guilty. A permanent injunction makes the guilty party stop his or her actions completely. The court almost always grants a permanent injunction if the infringer is found guilty.
* **Damages.** The court will usually require the infringer to pay damages when he or she is found guilty. These costs might include [actual damages](https://www.upcounsel.com/patent-infringement-damages), reasonable royalties, or both. The actual damages are the profits that the patent holder lost to the infringer. Royalties depend more on the specifics of the products and the length of the patent.
* **Costs.** It's common in patent infringement cases for the infringer to pay costs. These costs include court fees, filing fees, and even the lawyer fees for the patent holder. These costs are usually significant. For example, in 2009, Abbott Laboratories was found guilty of patent infringement for the drug Humira. The courts required Abbott Laboratories to pay the plaintiff, Centocor, $1.67 billion.

UNIT – IV

Trade Secrets:

Trade secrete law

## Trade Secret

A trade secret is any practice or process of a company that is generally not known outside of the company. Information considered a trade secret gives the company an economic advantage over its competitors and is often a product of internal [research and development](https://www.investopedia.com/terms/r/randd.asp).

To be legally considered a trade secret in the United States, a company must make a reasonable effort in concealing the information from the public, the secret must intrinsically have economic value, and the trade secret must contain information. Trade secrets are a part of a company's [intellectual property](https://www.investopedia.com/terms/i/intellectualproperty.asp). Unlike a patent, a trade secret is not publicly known.

Understanding Trade Secrets

Trade secrets may take a variety of forms, such as a proprietary process, instrument, pattern, design, formula, recipe, method, or practice that is not evident to others and may be used as a means to create an enterprise that offers an advantage over competitors or provides value to customers.

Trade secrets are defined differently based on jurisdiction, but all have the following characteristics in common:

* They are not public information.
* Their secrecy provides an economic benefit to their holder.
* Their secrecy is actively protected.
* confidential information (as trade secrets are known in some jurisdictions), trade secrets are the "classified documents" of the business world, just as top-secret documents are closely guarded by government agencies. Because of the cost of developing certain products and processes is much more expensive than competitive intelligence, companies have an incentive to figure out what makes their competitors successful. To protect its trade secrets, a company may require employees privy to the information to sign [non-compete](https://www.investopedia.com/terms/n/noncompete-agreement.asp) or [non-disclosure agreements (NDA)](https://www.investopedia.com/terms/n/nda.asp) upon hire.
* If a trade secret holder fails to safeguard the secret or if the secret is independently discovered, released, or becomes general knowledge, protection of the secret is removed.

Measures taken by the company to protect its Trade Secrets

**. Identify your company’s valuable trade secrets.**

The first step in protecting your company’s trade secrets is to identify them. In determining whether information should be regarded as a trade secret, consider the following factors:

* Is the information known outside of your company?
* Is the information widely known by employees and others involved with your company? Have measures been taken to guard the secrecy of the information?
* What is the value of the information to your company? What is the potential value to your company’s competitors?
* How much effort and/or money was expended by your company to develop the information?
* How difficult would it be for others to acquire or duplicate the information?

After your company’s trade secrets have been identified, you can implement protection mechanisms that are appropriate to the nature and value of those secrets.

**2. Develop a trade secret protection policy for your company and put it in writing.**

To protect your company’s trade secrets, it is advisable to have a written [Trade Secret Protection Policy](https://corporate.findlaw.com/intellectual-property/protecting-your-company-s-trade-secrets-from-disclosure.html). A written policy has several advantages. First, it tells employees how to identify and protect the company’s trade secrets. Second, it assists management in those situations where trade secrets must be revealed to outsiders. Third, it demonstrates your company’s commitment to trade secret protection, which can be important in litigation.

**3. Educate your employees about your Trade Secret Protection Policy and monitor their compliance.**

**4. Restrict trade secret access to employees with a legitimate, business-related, need to know**.

The more people who know a secret, the harder it is to keep. To reduce the risk of trade secret disclosure, companies should limit the number of employees with access to sensitive information.

**5. Making Employees to sign agreements related to protection of trade secrets.**

Top of Form

**6. Physically isolate and protect company’s most important trade secrets.**

company’s most important trade secret documents should be stored in a separate, locked depository.

**7. Maintain computer secrecy.**

**8. Restrict public access to your facilities.**

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It is advisable to require all visitors to sign in with a receptionist or guard when entering company facilities. In addition, all visitors should be required to wear a visitors’ pass at all times. Visitors to sensitive areas should be accompanied by a company representative and should be warned that everything they see and hear must be held in confidence. Under certain circumstances, it may be prudent to require visitors to sign a confidentiality agreement or acknowledgement.

**9. Deal cautiously with third parties – use confidentiality agreements.**

**10. Be careful and consistent with unsolicited submissions.**

Companies often receive unsolicited suggestions, inventions, ideas and similar items from others. To avoid claims that unsolicited information was stolen or that a confidentiality obligation was breached, your company should formulate procedures to handle unsolicited disclosures.

Determination of Trade Secret Status

Courts consider generally these factors to determine trade secret status of a company

1. The extent to which the information is known outside of the company
2. The extent to which the information is known within the company
3. The extent of measures taken by the company to maintain the secrecy of information.
4. The extent of value of the information to the company and competitors
5. The extent of expenditure of time, effort, and money by company in developing the information
6. The extent of ease or difficulty with which the information is acquired or duplicated by others

### Misappropriation of Trade Secrets

A person is guilty of misappropriation of trade secrets if he discovers a trade secret through some sort of illicit activity, such as through fraud or bribery. Something as simple as bringing home confidential information from one’s job can be a misappropriation of trade secrets if it is in violation of his employment contract.

Acquiring information through some nefarious means is enough to make someone guilty of this crime. He does not need to publish or share the information to be guilty but, of course, sharing the information is another form of misappropriation.

Exceptions to Misappropriation of trade secrets.

Lack of secrecy

Independent creation

Privilege taken during disclosure of information in some judicial or administrative action.

Remedies for Misappropriation

Injunctive relief

Money damages

Attorney fees and costs

Trade Secret Litigation

Trade secret litigation is a type of lawsuit that occurs when a trade secret is stolen or used without permission. In the digital age, these lawsuits are becoming more and more common.

## Unfair Competition

Unfair competition addresses circumstances where consumers have been misled, or deceptive trade practices, as well as practices designed to restrict or alter a company's revenue. In all cases, the activity can legally give rise to a tort action. That is, the wrongful act is such that the perpetrator can and should be held civilly liable in a court of law. Some forms of unfair competition are crimes, as well.

Some forms of Unfair competition include

Passing off

Misappropriation

Right of Publicity

False advertising

Product disparagement

Dilution

Infringement of trade dress

Passing off: also called as palming off. This occurs when one company attempts to pass off or sell their goods or services as those of others.

Misappropriation: It is misappropriation of trade secrets. This occurs when one company uses or taken the information created or secure at effort and expense by another.

Right of Publicity: A person’s name, identity, or persona are protected against unauthorised commercial exploitation through right of publicity.

False advertising: Making false or deceptive representation about the nature of one’s goods or services is actionable as false advertising.

Product disparagement: Making false or deceptive representations about the nature of another party’s goods or services is actionable as product disparagement.

Dilution: Using another’s famous mark in a way it is likely to cause blurring of its distinctive quality and harming its reputation is actionable as dilution. Dilution occurs when famous trademark loses its distinctive quality due to blurring and tarnishing

Blurring occurs when a mark’s distinctive quality is eroded through use on dissimilar products. Ex KODAK bicycles.

Tarnishment occurs when a mark is linked to products of inferior quality

Infringement of trade dress: Adopting the overall concept of another’s distinctive packaging or product image, generally called its trade dress, do as to deceive consumers is an infringement of trade dress.

**NEW DEVLOPMNTS IN TRADEMARK LAW**

**1. Trademark law brought at par with international practices**  
  
To bring Indian trademarks law in line with international practices and to ensure implementation of India's commitments under the TRIPS Agreement, India replaced the Trade and Merchandise Marks Act, 1958, with the Trade Marks Act, 1999. Some changes under the 1999 Act are as follows:  
  
\* Service marks, for the first time, made protectable through registration.  
The definition of "trade mark" now includes graphic representations, shapes, packagings and combinations of colours, thereby widening IPR protection.  
  
\* The procedure for registration of trademarks expedited by removing the earlier system of Part A and B registration. In addition, only a single application need now be filed for registration of a trademark in different classes. The 1999 Act also provides for the classification in conformity with recognized International Classification of Goods and Services.  
  
\* The period of registration and renewal has been increased from seven to ten years.  
  
\* The definition of "trademark infringement" has been broadened to give protection beyond the use of identical/deceptively similar marks in relation to goods for which they are registered.  
  
\* An action for infringement of trademark/passing-off can be filed in a district court within whose jurisdiction the plaintiff (trademark proprietor) resides or carries on business, as against the earlier law which required the suit to be filed at the defendant's place.  
  
\* Under the new law, both registered and unregistered trademarks can be assigned with or without the goodwill of the business.  
  
Recently, by way of the Trademarks (Amendments) Rules, 2014, the fee with respect to trademark filing has been increased in certain cases. The fee for an expedited examination have also been increased. Further, the Trade Marks Registry recently the Trade Marks Registry recently issued an Office Order little with respect to alterations that may be made to an application for trademark registration. This Order enlists certain ‘substantial alterations’, which would not be allowed; and other alterations, primarily clerical in nature that would continue to be accepted by the Registrar.

1. **Protection to Geographical Indications Provided**  
     
   India has enacted the Geographical Indications of Goods (Registration and Protection) Act, 1999 (the GIG Act). The GIG Act provides for registration and better protection of geographical indications relating to goods to help identify the place of origin of goods, quality, reputation and other distinctive characteristics of these goods. The GIG Act now helps in protecting unique  
     
   Indian products linked to some geographical region of India, such as Basmati Rice, Darjeerling Tea, Alphonso Mangoes, Malabar Pepper, Cardamom and Hyderabad Grapes, which are all well known in the international market. For many years, these products have been exported on a regular basis, demonstrating India's reputation of high quality of these products and, therefore, require such protection. Under the GIG Act, assignment of geographical indications is prohibited, being public property. The GIG Act also lays down provisions for infringement actions. The GIG Act helps prevent geographical indications of goods becoming generic which may otherwise lead to a loss of distinctiveness and consequently loss of protection.
2. **Copyright Law Modified**  
     
   The 2012 amendments in copyright law, which were made to make Indian copyright law compliant with the WIPO Copyright Treaty (WCT) and WIPO Performances and Phonograms Treaty, introduced technological protection measures, ensured that fair use survives in the digital era by providing special fair use provisions, made many author-friendly amendments, special provisions for disabled, amendments facilitating access to works and other amendments to streamline copyright administration.  
     
   The Government is considering further amendments to the Indian Copyright Act to help deter continuing piracy. Future amendments would provide for greater deterrents against infringement through more effective legislative and administrative frameworks. These amendments would also offer the police wider powers to conduct secret raids, seize and destroy infringing products, provide faster criminal proceedings and increased punishment for piracy.
3. **Patents Law more aligned with TRIPS**  
     
   Modifications in Indian patent laws have been made in accordance with TRIPS by widening the list of inventions not patentable, incorporating greater rights of the patentee, reversing the burden of proof in an infringement suit on process patents and creating a uniform period of patent protection of twenty years for all categories of invention.  
     
   During 2014, the Indian Patent Office released guidelines pertaining to issuance .. of pharmaceutical patents. These guidelines primarily incorporate features of various court decisions so as to assist the Patent Office in establishing uniform standards of patent grant/examination. These guidelines are expected to bring in uniformity with regard to examinations of the patent applications across all Patent Offices in India and by different responsible officers, in addition to giving to the inventors and corporates much desired certainty on how their application will be examined  . by the Indian Patent Office. Furthermore, in the recent past, various administrative and procedural mechanisms have been improved in the field of intellectual property law. The infrastructure of the Indian Patent Office has been improved greatly, so as to develop facilities for proper management of International Searching Authority/International Preliminary Examining Authority operation under the Patent Cooperation Treaty.

Indian Patent (Amendment) Rules 2014 recently introduced a third category of applicant being of "small entity", and provided procedural rules for governing the same. Furthermore, the fee for basic patent filing have been revised due to the introduction of the e-filing system of patents wherein the rates for e-filing are lower than those involved in physical filing.

1. **Protection for Plant Varieties and Rights of Farmers established**  
     
   India, in giving effect to the provisions of the TRIPS Agreement, enacted the Protection of Plant Varieties and Farmers Rights Act, 2001, to provide for the establishment of an effective system for protection of plant varieties. The 2001 Act recognizes and protects the rights of farmers for their contributions made in conserving, improving and making available plant genetic resources for the development  of new plant varieties. A variety that conforms to the criteria of novelty, distinctiveness, uniformity and stability is registrable under law. The 2001 Act provides for a total eighteen years protection for trees and vines and fifteen years for other plants.
2. **New Designs Law**  
     
   India enacted a separate law for the protection of copyrights in an industrial design. The Designs Act, 2000 repealed the earlier Designs Act, 1911. The new law protects proprietors of novel or original designs and enforces those rights against infringers. The new law incorporates the definition of the term "original" to specify what is a registrable design. In relation to a design, the term "original" includes designs, which though old in themselves,  are new in their application. Any design which is new or original, not previously published in any country, whether India or outside India, and which is not contrary to public order or morality is registrable under the Act. The new Act amplified the definitions of "article" and "design" to bring them in conformity with internationally accepted definitions for providing wider protection. Designs do not need to be registered in more than one class, which was not the case under the earlier law. In  view of India's accession to the Paris Convention and India being a signatory to the WTO, the right of priority has been extended to countries under the Paris Convention. The initial period for copyright in registered designs has been extended from 5 to 10 years. The new Act removes the earlier provisions regarding period of secrecy of the design for two years and enables the public to inspect any registered design during initial period of existence of the registration.
3. **Integrated Circuits Provisions adopted**  
     
   In compliance with obligations under the TRIPS Agreement, India has enacted the Semiconductor Integrated Circuits Layout-Design Act, 2000. This Act provides for registration of original, inherently distinctive and not yet exploited layout-designs. Any misuse of a registered layout-design can be prevented by way of an infringement action. The Act provides a term of protection for 10 years.

Although the Indian IP laws are still in the stages of development but the same are very much in conformity with the international IP laws as India is a signatory to international conventions and treaties including Paris Convention for the Protection of Industrial Property, Berne Convention on Copyright and TRIPS Agreement. Generally speaking, other than period of protection available and the time and cost taken to register an IP, there are but a few major differences between Indian and European .. IP laws and even those primarily relate to less significant procedural aspects. However, there have been significant concerns over IP enforcement, with a backlog of cases at both the civil and criminal courts and

IP Offices, and this is the area where Indian needs to work.

INTELLECTUQL PROPERTY AUDIT

An intellectual property audit is a systematic review of a company’s IP assets and related risks and opportunities. IP audits can help assess, preserve, and enhance IP; correct defects in IP rights; put unused IP t

o work; identify risks that a company’s products or services infringe another’s IP; and implement best practices for IP asset management. A thorough IP audit involves not only a review of a company’s IP assets, but also the company’s IP-related agreements, policies and procedures, and competitors’ IP.

Because IP rights are created and defined by law, IP audits are typically conducted by a lawyer or law firm. The lawyer is often new to the company being audited and has a broad range of experience with various types of IP and IP valuation matters. The company appoints a point person for the lawyer to deal with—ideally, someone who knows IP concepts and technical aspects of the company’s business.  When an IP portfolio’s monetary value is of chief concern, the team also includes an accountant or economist who has dealt with IP valuation issues.

It can help for the lawyer to begin by providing management and key employees with a general overview of IP and identifying ways in which a company’s existing IP rights can be preserved and enhanced. Then the IP audit proceeds with a transfer of IP-related information, which is requested from company management responsible for research, development, sales, and marketing. Any key employees who create or know the company’s technology are also asked to contribute.

For companies with a sophisticated knowledge of IP, the discussions can begin with a survey of the company’s IP portfolio and competitive position in the marketplace, followed by a more focused analysis of IP issues of particular interest. The most comprehensive audits include estimates of the IP’s monetary value, and protocols and detailed recommendations for dealing with IP in the future.

IP audits can be general in scope or can be focused on a particular event or type of

IP. General purpose audits help start-ups and established companies to not only assess and protect their IP, but also identify IP development needs, opportunities, and risks. Event- and IP-specific audits can be triggered by a company’s need to:

* Assess the impact and potential value of obtaining or selling IP, or licensing IP in or out;
* Assess IP rights and risks involving the acquisition or launch of a new product or service;
* Assess IP rights and risks involved in expanding into new markets or channels of trade;
* Determine whether its licensees are complying with the terms of a license;
* Help ensure that an R&D program is designed to best capture future business opportunities;
* Identify risks involved in adopting a new trademark or new product claims and warranties;
* Assess the integrity and strength of trade secret protection procedures and agreements;
* Assess the impact of a key employee’s departure on IP rights and value;
* Assess a third party’s infringement claims and the possible consequences;
* Assess and deal with the consequences of the expiration of IP rights;
* Assess and deal with the consequences of a change of status in a competitor’s IP rights;
* Demonstrate the company’s value to obtain or provide financing or investment capital; or
* Demonstrate company value in preparation for a merger, joint venture, or sale.

**IP audits help companies get ahead in the following ways:**

They identify what IP is owned.

They preserve and enhance the value of existing IP.

Audits identify new opportunities to profit from IP.

They identify roadblocks and prevent costly disputes.

They facilitate and optimize business transactions.

In conducting IP audits, the following kinds of helpful information are most often identified:

* Valuable product and process features that could be but were not as yet patented;
* Correctable defects in existing patents;
* Missing and deficient employee agreements that risked competitors’ access to trade secrets;
* Trademarks central to companies’ identities that were not adequately protected from copying;
* Product configurations that could be but were not yet protected by design patents;
* Patent and trademark royalty payment terms that were being ignored;
* Missing notices of patent, trademark, and copyright that were limiting the company’s ability to enforce IP rights and claim damages; and
* Valuable opportunities for licensing IP in new markets and channels of trade.

IP audits have directly resulted in quantifiable benefits to many companies, including payments of millions of dollars for the use of patented technology that was not originally thought to be patentable.

## Types of IP audit

In general, we have three types of IP audit which are general-purpose IP audit, event-driven IP audit, and limited purpose IP audit.

A general-purpose IP audit can be done at various instances such as at the time of establishing the company, or at the time when the company is implementing new policy or marketing strategies. In such a way, the general-purpose IP audit is more sufficient in all such circumstances. The results will help the company to get a better direction and approach, in case if the company is new or planning major reorganization.

In few cases, the company requires that the IP audit must be done focusing on particular target IPs. This is mostly done to assess the benefits of that IP and risks if any. This generally comes under Event-Driven IP audit, where the scope of such audit will be determined by the event in question, thereby depending upon the time and resources.

Finally, the limited purpose IP audit is done for such situations where there is a constraint schedule. Such audits are done for a purpose, mostly for substantiating the position of the company with regards to a particular IP.

Due Diligence Review:

Due diligence is an investigation or audit of a potential investment consummated by a prospective buyer. The objective is to confirm the accuracy of the seller’s information and appraise its value.

These investigations are typically undertaken by investors and companies

Other situations may be buyers and sellers seeking to determine whether the other party has substantial assets to complete the purchase. It may be a legal obligation or voluntary.