

IPR Lecture 2

UNIT – I

AGENCIES RESPONSIBLE FOR IPR REGISTRATIONS

(a) National IPR Agencies:

Controller General of Patents, Designs and trademarks (CGPDTM):

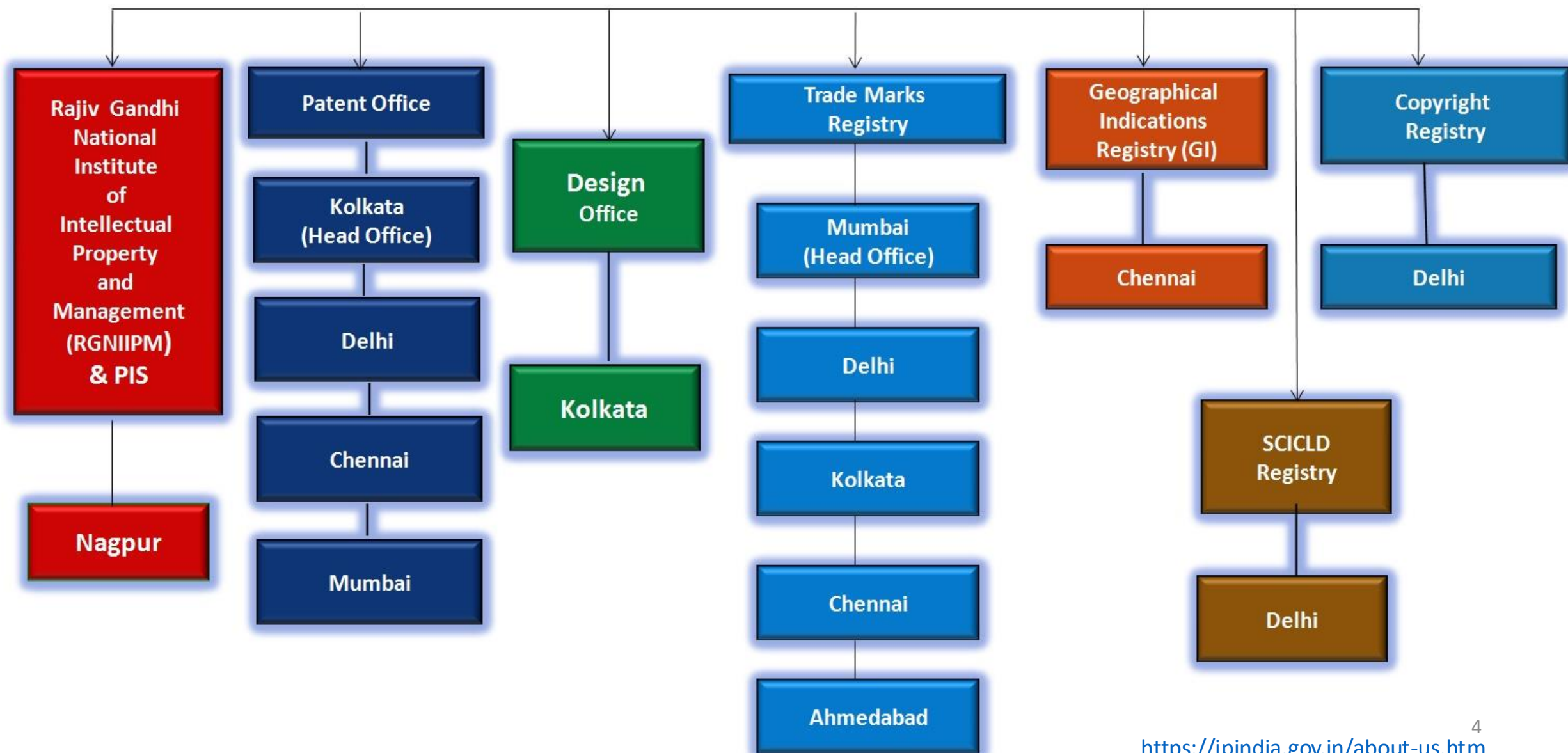
- The office of the **Controller General of Patents, Designs and trademarks (CGPDTM)**, a subordinate Office under The Department for Promotion of Industry and Internal Trade (DPIIT), carries out statutory functions related to grant of Patents and registration of Trademarks, Designs and Geographical Indications.



<https://www.ipindia.gov.in/index.htm>

- The registration of copyrights is administered by the Registrar of Copyright Office, working under the CGPDTM.
- It functions out of offices situated in **Delhi, Kolkata, Mumbai, Chennai** and **Ahmadabad**, while the Central IP Training Academy is at **Nagpur**.
- The appropriate office of the patent office shall be the head office of the patent office or the branch office as the case may be within whose territorial limits.
- Residence of applicant or Domicile; or their place of business; or the place where the invention actually originated.

Office of Controller General of Patents, Designs & Trade Marks (O/o CGPDTM)



The CGPDTM supervises the functioning of the following IP offices:

- The Patent Office's (including the Design Wing) at Chennai, Delhi, Kolkata & Mumbai.
- The Patent Information System (PIS) and Rajiv Gandhi National Institute of Intellectual Property Management (RGNIIIPM) at Nagpur.
- The Trade marks Registry at Ahmadabad, Chennai, Delhi, Kolkata & Mumbai.
- The Geographical Indications Registry (GIR) at Chennai.
- The Copyright Office at Delhi.
- The Semiconductor Integrated Circuits Layout-Design Registry at Delhi.

TABLE - LIST OF THEIR BRANCHES AND THEIR TERRITORIAL JURISDICTION

Office	Territorial Jurisdiction
Patent Office Branch, Chennai	The States of Telangana, Andhra Pradesh, Karnataka, Kerala, TamilNadu and the Union Territories of Pondicherry and Lakshadweep
Patent Office Branch, Mumbai	The States of Maharashtra, Gujarat, Madhya Pradesh, Goa and Chhattisgarh and the Union Territories of Daman and Diu & Dadra and Nagar Haveli.
Patent Office Branch, New Delhi	The States of Haryana, Himachal Pradesh, Jammu and Kashmir, Punjab, Rajasthan, Uttar Pradesh, Uttaranchal, Delhi and the Union Territory of Chandigarh.
Patent Office, Kolkata	The rest of India

Intellectual Property Appellate Board (IPAB):

- **Intellectual Property Appellate Board (IPAB)** has been established in the year 2003, under Section 84 of the Trade Marks Act, 1999. The Board hears appeals against the decision of **Controller of Patents** (under the Patents Act, 1970), **Registrar of Trade Marks** (under the Trade Marks Act, 1999) and **Geographical Indication cases** (under the Geographical Indication & Protection Act, 1999).



- The Copyright Board and Plant Varieties Protection Appellate Tribunal function under the ambit of IPAB in accordance with their respective Acts and Rules.
- It serves as a statutory body under the **Department for Promotion of Industry and Internal Trade (DIPP)** which is a strong IPR regime can positively impact **foreign direct investment (FDI)**, technology transfers, and trade, which, in turn, support a country's economic growth. Strengthening the IPAB contributes to a stronger IPR system and promotes economic development. Since its creation, the workload has significantly increased.

(b) International IPR Agencies:

There are a number of International organizations and agencies that promote the use and protection of intellectual property

International Trademark Association (INTA):

- **INTA (International Trademark Association)** is a global non-profit organization founded in 1878 by 17 merchants and manufacturers.
- It **supports trademark and IP rights** to protect consumers and promote fair commerce.
- With over **6,500 members from 190 countries**, including companies and law firms, INTA members contribute nearly **\$12 trillion to global GDP** annually.



<https://www.inta.org/>

- The association advocates for trademark rights globally, offers educational programs, and provides legal resources.
- **Headquartered in New York City**, INTA also has offices in **Brussels, Shanghai, Washington DC**, and representatives in **Geneva** and **Mumbai**.
- Its mission is to **protect** and **promote** trademark rights and secure relevant legislation.

World Intellectual Property Organization (WIPO):

- WIPO was **founded on 14 July 1967**, to encourage creative activity, to promote the protection of Intellectual Property throughout the world.
- **1974** – WIPO joins the UN
- It is specialized agency of the United Nations whose purposes are to promote intellectual property throughout the world and to administer 23 treaties (**Present 26 treaties**) dealing with intellectual property.
- WIPO is one of the 17 specialized agencies of the United Nations.



➤ **Around 193 nations are members of WIPO.**

THE ROLE AND VALUE OF IP IN INTERNATIONAL COMMERCE

- Intellectual property rights (IP rights) are not inherently valuable.
- Their value is the strategic advantage gained by excluding others from using the intellectual property.
- To be valuable, your exclusionary rights should be strategically aligned with your business objectives.



<https://iptse.com/intellectual-property-rights-and-international-trade/>

- The recognition of intellectual property rights is an important key to converting creativity into a marketable product with positive cash flow.
- Creativity is essential to economic growth.
- Consumer sales depend on attractive, efficient, safe, innovative, and dependable products and services, and these qualities are built on intellectual property.
- The IP rights of a business are among its most valuable assets.
- The protection of those IP rights can promote creativity, distinguish a business and its products or services, and increase its profitability and endurance.

- To understand the role of IP rights in practical terms, we must first appreciate the purpose of IP laws.
- **Although IP laws will differ in detail from country to country, they have the same basic purpose**, which is also reflected in international and regional agreements.

In broad terms, exclusive rights in intellectual property are usually granted pursuant to laws that are intended to do the following:

- **Define the monopolistic rights**, namely, exclusive ownership rights that belong to the holder of the IP and are transferable to another holder in certain situations.
- **Define the limitations on the monopoly**, such as by restricting the application of exclusive rights to an invention, presentation, or specific goods only, by making exceptions to exclusive use for permitted acts (e.g., authorizing single copies for educational purposes), and by setting terms of duration.
- **Define the remedies for violation of IP rights.**

- In other words, IP laws create affirmative rights, but not an absolute defensive shield against infringement.
- They give the owner of the IP the right to stop other persons from using the IP in a manner that is not permitted by the law.
- **Unless the IP owner takes affirmative action, an infringement of IP rights may continue unchecked by any other authority.**
- **This concept is extremely significant:** mere registration of IP rights is not alone sufficient to protect those rights against unauthorized use. If you are going to spend the money and labor to register your IP claim, you must be also willing to spend the money and labor to enforce your claim.

Your IP can be one of your most useful and most used business tools:

- If you own **patents, copyrights, designs**, or similar IP, you will realize value from utilizing them in your own exclusive manufacture or production.
- If you own **marks**, you will use them to distinguish your business and your products or services, to grow its customer base, and to promote its goodwill and reputation.
- If you own **trade secrets, specialized mailing lists, secret recipes or processes**, and similar IP, your business can provide distinctively unique services in contrast to your competition.

- The cost of launching a new product or developing a new invention can sometimes be so costly that licensing or merging with another company is less expensive.
- When selling a business, the valuation of assets should always **include the value of all IP rights** held by the business. The value of your IP could double your company's value. Your IP may become the most valuable asset in your business. Your business may even be or become the exploitation of your IP rights through licensing or other similar arrangements.
- **For example,** copyrights generate lucrative license fees and royalties.

- **Publishers, authors, music makers, record companies, entertainers, sports figures, television and movie studios** make millions from IP protected by copyrights.
- A **famous person** can command millions for an appearance, and can sue for millions for unauthorized use of his or her famous name or likeness.

- **Companies holding patents** can gain substantial market share while other companies are trying to find another way to replicate the same result.
- **Small inventors and large companies** alike often license patented technologies for substantial fees.

It has been reported by the **Asian Wall Street Journal** that an **inventor** who has filed more than 500 patents in the United States in the last 35 years has made more than **US\$500 million** without directly engaging in any industrial application of the invention.

- Intellectual property rights can become worth more than the physical assets of a company.
- **For example, the IP produced and acquired by Microsoft Corporation is valued at more than the company's physical assets**, and the company itself has been valued at more than the value of General Motors Corporation, despite the latter's significant physical assets. Similarly, the **Internet Company Yahoo, Inc., has been valued at more than the value of New York Times, Inc.**, based on the IP rights developed and acquired by the former.

- **E-Commerce**, more than other business systems, often involves selling products and services that are based on IP and its licensing.
- **Music, pictures, photos, software, designs, training modules, systems, etc.** can all be traded through E-Commerce, in which case, IP is the main component of value in the transaction.
- **IP is important because** the things of value that are traded on the Internet must be protected, using technological security systems and IP laws, or else they can be stolen or pirated and whole businesses can be destroyed.



- The systems that allow the Internet to function - software, networks, designs, chips, routers and switches, the user interface, and so on - are forms of IP and often protected by IP rights.
- **Trademarks are an essential part of E-Commerce** business, as branding, customer recognition and good will, essential elements of Web-based business, are protected by trademarks and unfair competition law.

ISSUES AFFECTING IP INTERNATIONALLY

The major IP Issue Areas to be considered in International Trade are as follows:

- 1. IP Rights are Territorial**
- 2. Secure Freedom to Operate**
- 3. Respect Deadlines**
- 4. Early Disclosure**
- 5. Working with Partners**
- 6. Choosing an Appropriate Trademark**

1. IP Rights are Territorial

- It is important to keep in mind that IP rights are only valid in the country or region in which they have been granted.
- Applying for such rights in other countries is important if there is an intention to go international.
- Copyright is automatically available through the provisions of the Berne Convention, famous marks have automatic protection, trade secrets are by their nature confidential.

IP Rights can be obtained internationally as follows:

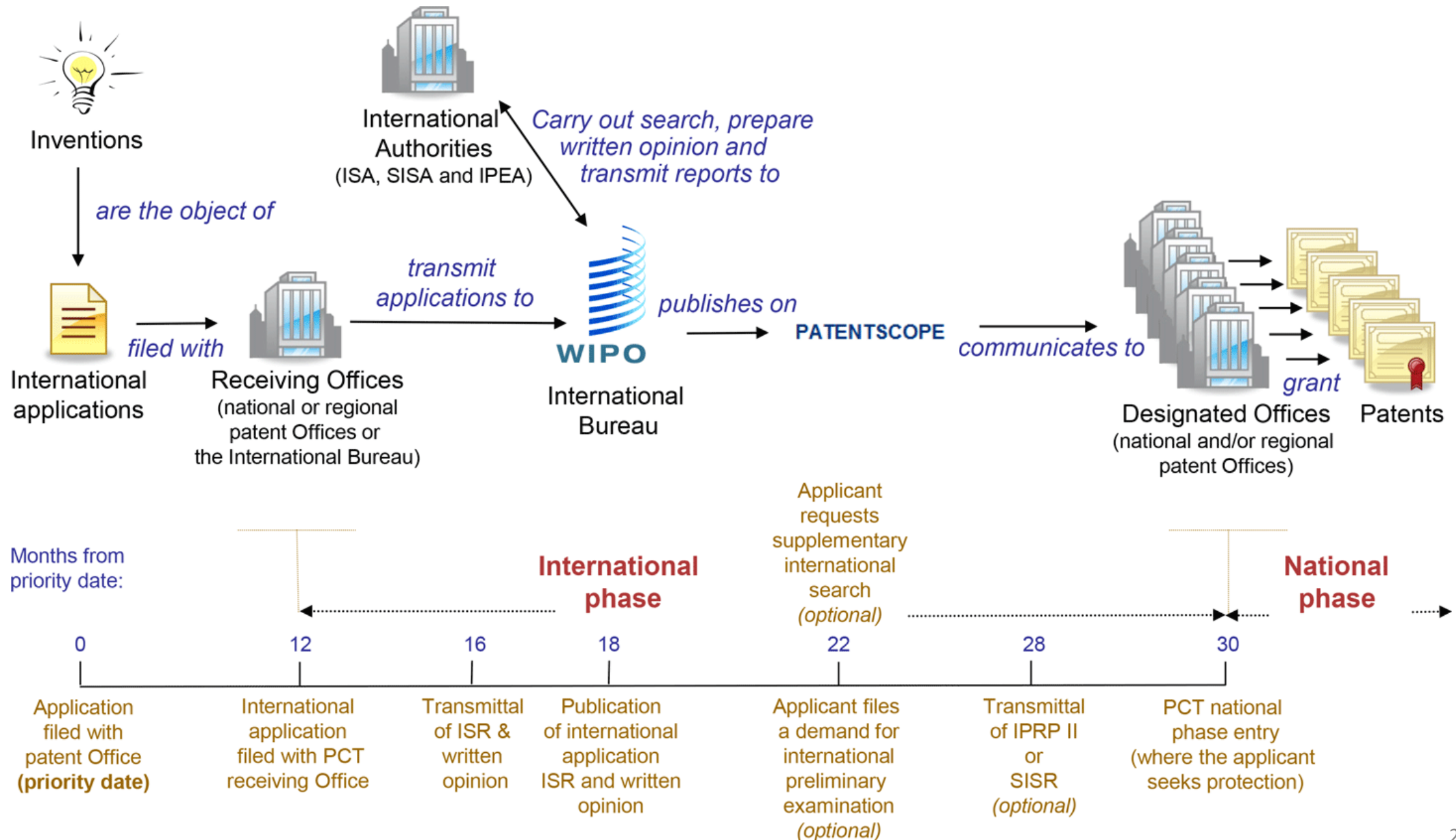
(i) National Route- Apply in each country, pay fees, translation into national languages

(ii) International Route-

- **The Patent Cooperation Treaty (PCT)** is an international patent law treaty, concluded in **1970**.
- It provides a unified procedure for filing patent applications to protect inventions in each of its contracting states.
- A patent application filed under the PCT is called an international application, or PCT application.
- In this the filing of an international application is done from the applicant's national Office



Overview of the PCT System



2. Freedom to Operate (FTO)

- Analyzing FTO is to evaluate whether you are in any way infringing the patents, designs or trademarks of others.
- Such a evaluation is usually done by conducting a search in patent, trademark and design databases for patent applications, granted patents, registered trademarks or designs.
- As patents, trademarks and designs are granted to particular territories an **FTO search** may reveal that the particular IP in question is not protected in the territory of interest.

Reason for conducting searches are:

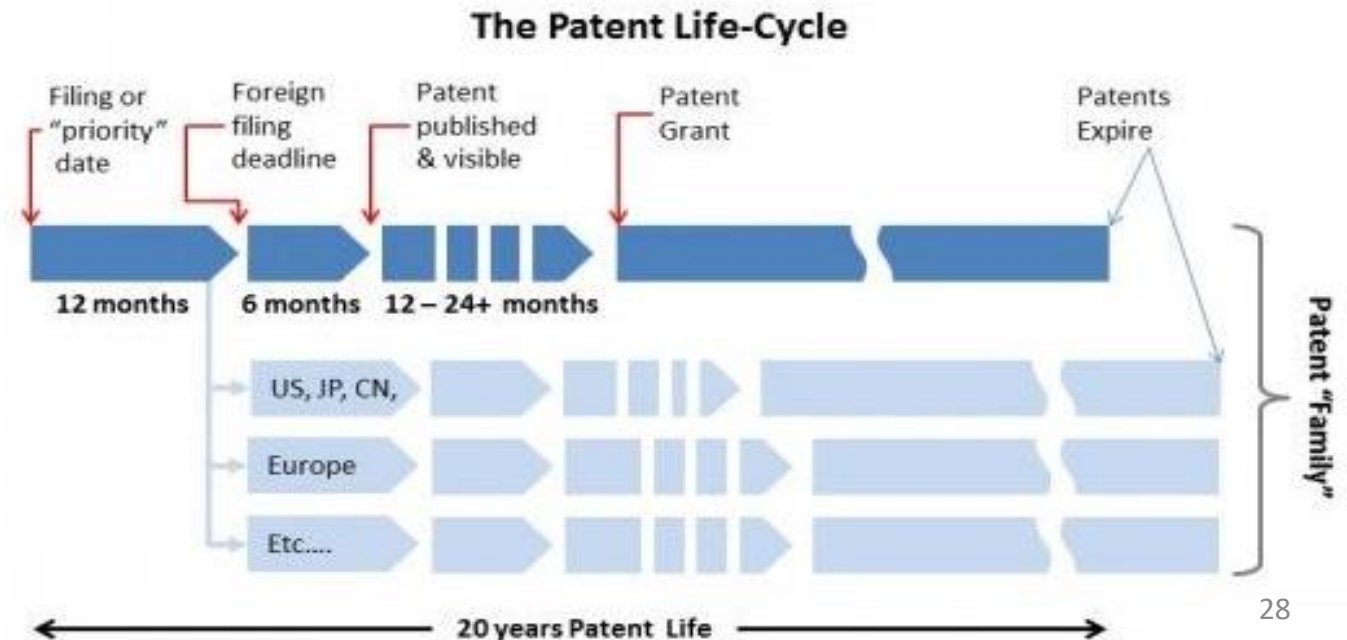
- ✓ Same or confusingly similar trademark may already exist in the export market
- ✓ Technology not patented in one country may be patented elsewhere

3. Respect Deadlines

- **Priority Period** -Once an application for a patent or design right has been made domestically (priority date) an international application has to be made within the “priority period.”
- The international application will benefit from the priority date.
- A filing after the priority period has lapsed would mean you can’t benefit from the earlier priority date and novelty will be lost.



Patents: 12 months
Designs: 6 months



4. Risks of Early Disclosure

- Patents and designs are required to be novel to merit protection.
- If a product needs to be disclosed it should be done in a **Non-disclosure Agreement**.
- If not, the novelty could be lost and an application for registration be rejected.
- This is particularly important in disclosing products that embody inventions and/or designs to potential partners before protection has been obtained.



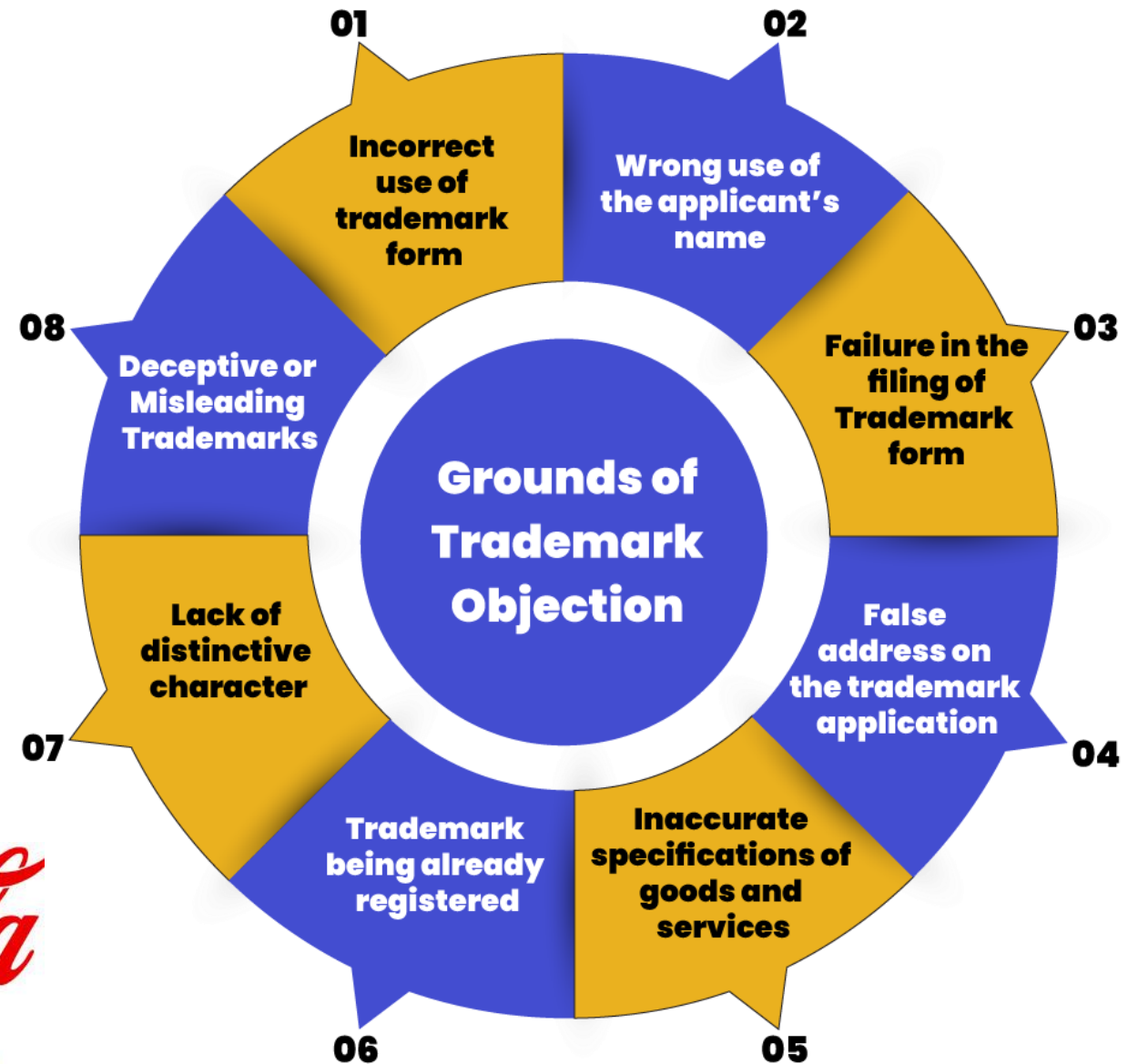
5. Working with Partners

- Ownership of IP
- Creation of new IP and who owns that
 - ❑ Assignments/licenses for ownership
- Risk of unauthorized use or disclosure of trade secrets by partner
- Risk that partner will use trade secrets of others and expose you to litigation. Insist on indemnification
- Quality of product to be maintained so as to sustain brand image
- Trademarks if registered in the partners name in the country could create problems once the relationship ends



6. Choosing an Appropriate Trademark

- Check whether the mark has **undesired connotations** or is **likely to be rejected in any country**.
- **For example-** Mitsubishi was dismayed to find that PAJERO means 'wanker' in Spanish. Ford NOVA means no go in Spanish.
- But **Coca-Cola was successful** in finding a trademark in Chinese to say “happiness in the mouth”



Step 1

Analyzing the Importance of
Distinctiveness
(Understanding the Trademark Spectrum)



Step 2

Choosing a Strong Mark
(Analyzing market strategies, active clients, mark
popularity and ambiguity, protection levels, etc.)



Step 3

Maintaining the Mark
(Following various strategies to maintain
trademark strength)

Figure: Process of Choosing Strong Trademark