



Starting Business in India



NEW VENTURE CREATION :
LECTURE 4

Professor Neeraj Sanan



Questions and/or clarifications till now?

Individual assignment 1: Interview founder of a new venture

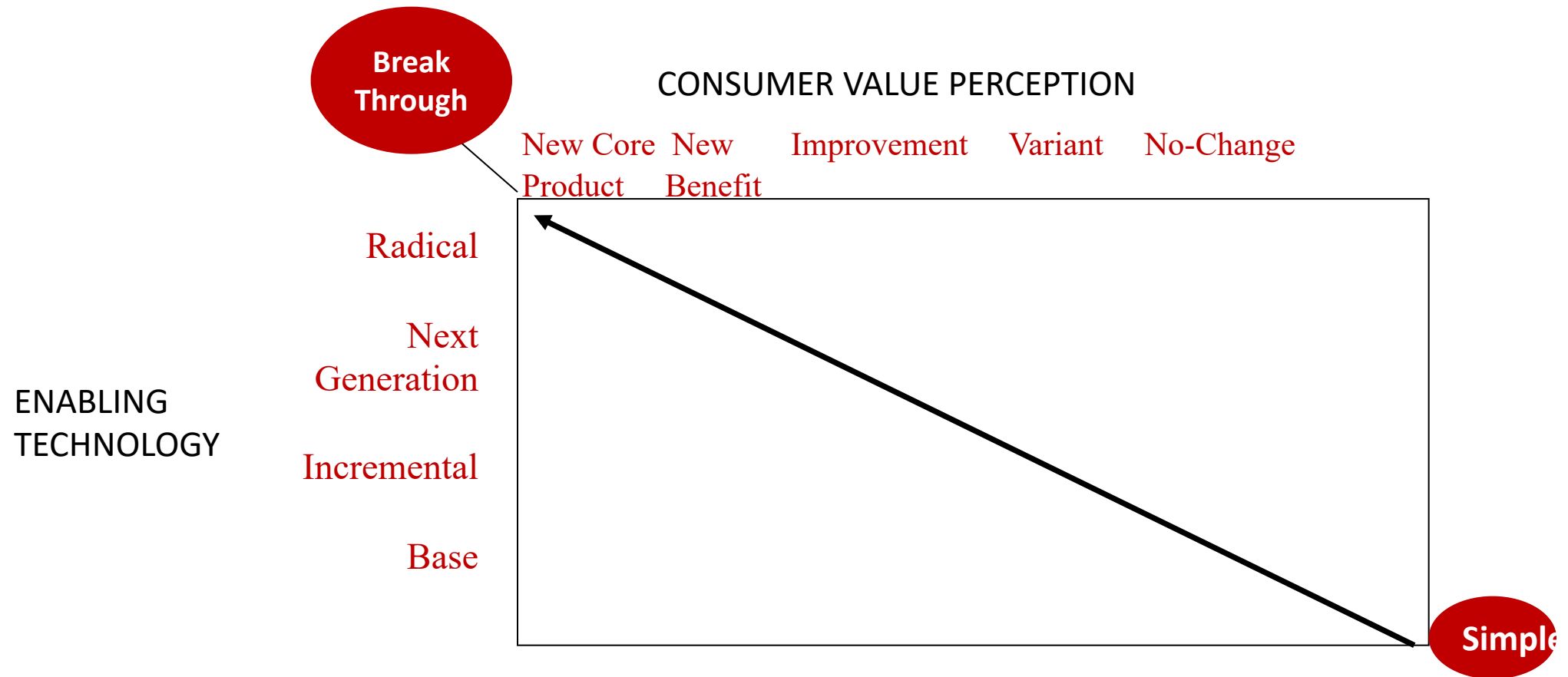
- Step 1: Contact an IITD alumnus and fix an appointment. Tell them you are a student of IITD.
 - Step 2: Go on the internet to read about the founder and his new venture. Create notes and a list of things you like, dislike, and are intrigued about. Finalize a list
 - Step 3: Conduct the interview, take snaps or a video. Audio record and if possible, video record the interview
 - Step 4: Send a thank note and share a summary of your learnings. Seek their permission to post it on linked in.
 - Step 5: Create a summary of your PROCESS AND YOUR LEARNINGS in the form of a blog or a writeup (1500 words max). If you are confident enough of posting it, tag the founder and a few other relevant people.
- Last date: SEP 7th

Starting your business

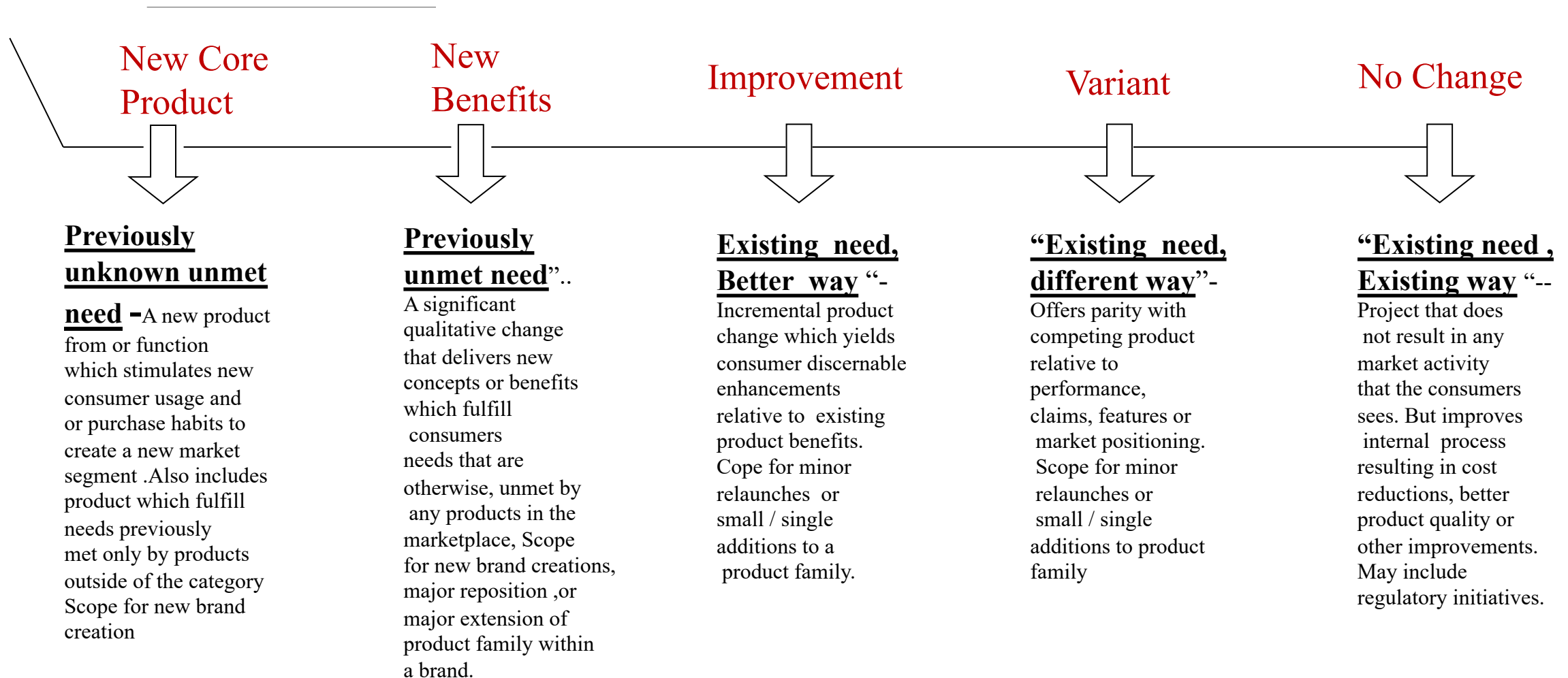
1. Classify your idea
2. Identify your category
3. Protect your business
4. Choose a company
5. Set up your business

1. Classify your idea ?

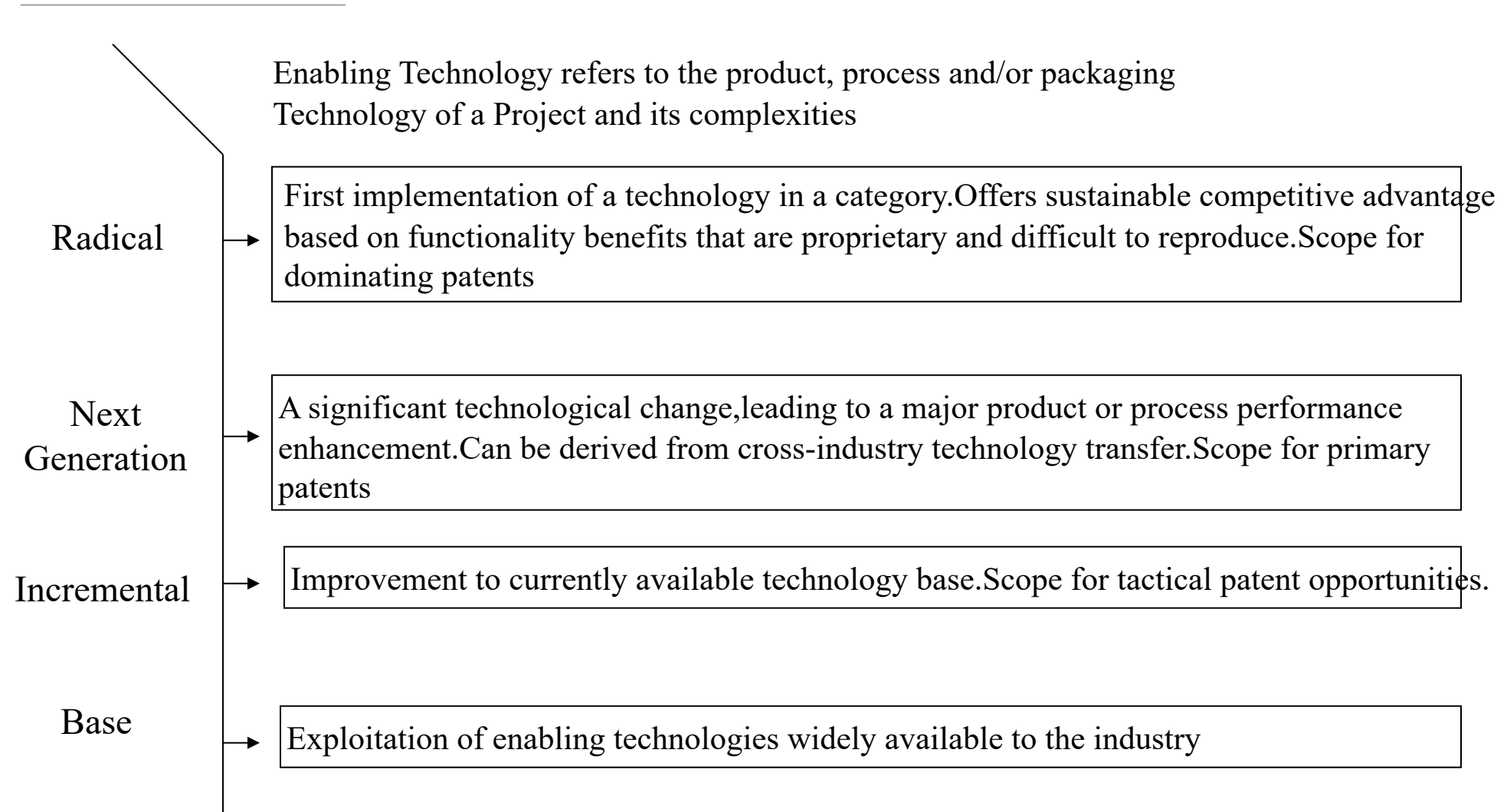
1. Classifying your idea



1. Classification: Consumer Value Perception



1. Classification: Enabling Technology



1. Classification: Why is it important

- **Source of business:** “If my business grows, what will die?”
 - Uber:
 - Work from home:
 - Netflix:
- **Competitor:** Who is doing what I am doing
- The two are same when your strategy is ‘market share gain.’ (improvement, variant, no change)
- The two are different when your strategy is ‘market creation.’ (new core product, new core service)

2. Identify your category ?

2. Category: Product or Service

Products:

- Class 1:** (Chemicals, Resins, and Plastics.)
- Class 2:** (Varnishes, Paints, and Anti-corrosion substances)
- Class 3:** (Cosmetics, Hair Oils and Lotions, and Cleaning Preparations)
- Class 4:** (Greases, Lubricants, and Fuels)
- Class 5:** (Pharmaceutical, Medical, and Sanitary Preparations)
- Class 6:** (Goods of Metals and Alloys, Ironmongery and Hardware Products)
- Class 7:** (Equipments and Machineries)
- Class 8:** (Hand-operated Devices and Tools)
- Class 9:** (Scientific, Electrical, and Technological Apparatus)
- Class 10:** (Medical and Surgical Instruments and Apparatus)
- Class 11:** (Heating, Cooling, Drying, and Refrigerating Apparatus)
- Class 12:** (Land, Air, and Water Vehicles)
- Class 13:** (Explosives and Firearms)
- Class 14:** (Precious Metals and Stones, and Jewelry Items)
- Class 15:** (Diverse Musical Instruments)
- Class 16:** (Paper Goods, Stationery Products, and Printed Materials)
- Class 17:** (Rubber and Plastic Goods and Products)
- Class 18:** (Products made of Hides and Leathers)
- Class 19:** (Various Non-Metallic Building Materials)
- Class 20:** (Furniture, and other precious household Articles)
- Class 21:** (Kitchen Utensils, Household Appliances and Glass products)
- Class 22:** (Ropes and Cordage, Fibers, and Stuffing materials)
- Class 23:** (Threads and Yarns for uses in textiles)

Class 24: (Textiles and Fabrics)

Class 25: (Apparels and Clothing)

Class 26: (Fringes and Fancy Goods and Products)

Class 27: (Floor Coverings and Wall Hangings)

Class 28: (Toys, Sporting, and Sports Goods)

Class 29: (Meats and Processed Food Items)

Class 30: (Auxiliary Food and Beverage Items)

Class 31: (Agricultural and Horticultural Products)

Class 32: (Beers, Light Beverages, and Fruit Juices)

Class 33: (Wines and Spirits)

Class 34: (Tobacco Products and Smokers' Articles)

Services:

Class 35: (Advertising, Business Administration and Management)

Class 36: (Financial and Insurance Services)

Class 37: (Building Construction and Repairs)

Class 38: (Telecommunications)

Class 39: (Transportation and Storage of Goods and products)

Class 40: (Treatment of Materials)

Class 41: (Education and Entertainment)

Class 42: (Computers, Scientific, and Legal)

Class 43: (Hotels and Restaurants)

Class 44: (Agricultural, Medical, and Beauty)

Class 45: (Personal and Social Services)

2. Category : Issues

- Each category is treated as different
- LEGAL: How you can use the law of the land to protect you?
- REGULATION: How law makers regulate you to protect consumers.

2. Category : why is it important ?



vatika
creating lasting value



LUX[®]
INNERWEAR



AMUL
INNERWEAR



STAR
Health Insurance



3. Protect your business ?

3. Protecting intellectual property

- Brand Name/Label Graphics
Advertising slogans/elements : Trademark
- Piece of art : Copyright
- Container Shape : Design register
- Idea/ Inventions/Process : Patent

3A. Protection by ‘Trademark’

- Trademark means a mark used in relation to goods or services for the purpose of indicating a connection in the course of trade between the goods or services and some person having the right to use the mark
- is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others
- “mark” includes a device, brand, heading, label, ticket, name, signature, word, letter or numeral or any combination thereof;
- “mark” includes..... shape of goods, packaging or combination of colours or any combination
- Issued for 10 years, renewed thereafter

Trademark examples

Heading



Device



Name



Numeral



Label



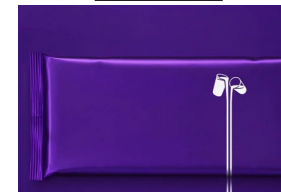
Letter



Signature



Colour



3B. Protection by ‘Copyright’?

- Copyright means the exclusive right to do or authorize the doing of any of the following acts in respect of a work or substantial part thereof
- What may be protected under copyright Act:
 - Original literary, dramatic, musical and artistic works – e.g., label graphics/elements
 - Cinematograph film e.g., feature films
 - Sound recording
- any graphic design protected under TM has protection only for the category the brand falls in, however protection under copyright restricts the use of the protected design to any other category also.
- Copyright: 60 Years from the date of registration

3C. Protection by ‘Design Act’

- What may be protected under the Design Act:
 - Features of shape, Configuration, Patterns, Ornaments, Compositions of lines, Colours applied to any article
- Design which can not be registered:
 - Not new and original
 - Already published
 - Not distinguishable from the known designs
 - Comprises or contains scandalous or obscene matters
- Terms of design
 - Initially 10 years
 - Renewal thereafter for 5 years

3D. Protection by 'Patent'

- What may be patented under the Patent Act:
 - New inventions in the field of art, process, method or manner of manufacture e.g., manufacturing process, inventions, Machinery or apparatus
 - Substances and improvement thereof
- Term of patent:
 - 20 years from the date of filing
- Takes a long time and a complex process

3. Using the protection

1. Decide what you want to go for: Patent, **Trademark**, Copyright, Design
2. Do a search on if you can get it <https://ipindiaonline.gov.in/tmrpublicsearch/frmmain.aspx>
3. Choose/ Make the design/ brand name:
 1. If there is a third party doing it, pay them money
 2. Sign a contract saying all the rights are with you
4. Hire a lawyer to register.
5. Start using © ® and ™, even before you get it (and also after)
6. No legal protection can prevent copying, it only dithers competition

4. Choose a company?

4. Choose a company

- **Proprietorship:** owned, managed, and controlled by one person.
- **One Person Company** in India is incorporated by a single person.
- **Partnership:** two or more parties sign a formal agreement to manage and operate a business and share both the profits and losses.
- **Limited liability Partnership:** A partnership where liability of partners is limited to the extent of their initial contribution to the company
- **Private Limited company:** A company as an entity which is owned by shareholders
- **Public Limited company:** A company as an entity with public as shareholders

5. Set up your business ?

5. Setting up your business

- Company Name:
 - Search <https://www.mca.gov.in/mcafoportal/checkCompanyName.do>
 - Find and ask a CA to register
- Trademark (brand name, else design)
 - Search <https://ipindiaonline.gov.in/tmrpublicsearch/frmmain.aspx>
 - Find and ask a lawyer to register
- URL
 - Search on godaddy
 - Find and register in your company name, or your name

5. Setting up: Other Administrative Registrations

- GST registration for sales tax
- PAN number for income tax
- MSME registration for not paying taxes
- Any other government schemes..

- Technology
 - LinkedIn ID, in line with URL
 - Twitter/ Insta/ Facebook/ Snap....

For the next meeting

- On or before the mid-night of August 16th , please mail the following to Shivani:
 1. Group Name
 2. Group Members
 3. Category that you want to enter
- On Friday, August 23rd
 - Staring your business continues.....(extending your existing business)