

Trade-Related Intellectual Property Rights

*With special focus on Geographical
Indications*


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Peculiarity about IP

► What is Intellectual Property?

- Creations of mind
- IP is a characteristic of the item or device or work or object
- The object is not the Intellectual Property (IP)

And its laws?

- The laws provide the owner an **exclusive right** for a limited period **to stop others** from making, using or selling that product without his permission
 - Legal means to motivate creator
 - Ensure due stream of returns: economic right
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Forms of IPRs

Traditional Classification

Copyrights

Industrial Property



Patents
Trademarks
Industrial Designs
Geographical Indications
Integrated Circuits
Trade Secrets

TRIPS

Conclusion of Uruguay Round – 1994

Marrakech Agreement of 1994 creates the WTO

Countries signing the Marrakech Agreement automatically became signatories of all multilateral agreements including one at Annex 1 C

Agreement on

Trade-Related aspects of Intellectual Property Rights

Monitored by the Council for Trade in IP or the TRIPS Council at the
WTO



Single undertaking

Protection of the Rights

Two levels of legal instruments

Municipal Law

International Law

Two principles of non-discrimination

National treatment

Most Favoured Nation

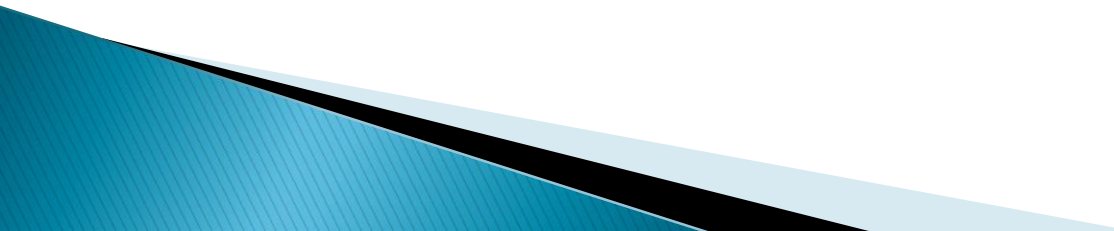


TRIPS: Main Features

- ▶ **Standards:** The agreement lays down minimum standards of protection
 - The subject matter to be protected
 - The rights to be conferred and permissible exceptions
 - The minimum period of protection
- ▶ **Enforcement**
 - Provisions for domestic procedure and remedies for the enforcement of the IPRs: obligation on states to establish domestic procedures
 - Includes general principle applicable to IPR enforcement procedure apart from administrative, civil and criminal procedure available for enforcement of rights of the right holder
- ▶ **Dispute settlement:** The agreement provides for the settlement of disputes over IPR among the member states within the parameters of the WTO dispute settlement procedure

TRIPS: Main Features

Coverage:


- **Copyrights** and related rights, i.e. rights of performers, producers of sound recordings and broadcasting organisations
 - **Trademarks** including service marks
 - **Geographical Indications** including appellations of origin
 - **Industrial Designs**
 - **Patents**
 - **Layout Designs** of Integrated Circuits
 - Undisclosed information including **trade secrets** and test data
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TRIPS: Basic Principles

Basic principle is non-discrimination, as in GATT and GATS:

- National Treatment (Article 3): Equal treatment for foreign and domestic individuals and companies
- Most Favoured Nation (Article 4): Equal treatment for nationals of all trading partners in the WTO

But also:

- Balanced Protection: (Article 7) IP protection should contribute to technical innovation and transfer of technology
 - Public Interest: (Article 8) Consistent with TRIPS provisions, Members may take measures to protect public interest and measures against abuse of rights or trade restraint or technology transfer
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General Principles of TRIPS

Article 1

Nature and Scope of Obligations

Article 2

Intellectual Property Conventions

Article 3

National Treatment

Article 4

Most-Favoured-Nation Treatment

Article 5

*Multilateral Agreements on
Acquisition or Maintenance of
Protection*

Article 6

Exhaustion

Article 7

Objectives

Article 8

Principles

Patents

- Members to make patents available for **inventions**– both products and processes– in all fields of technology without discrimination
- Invention should fulfil the test of **novelty, inventiveness and industrial applicability**
- Patent rights should be enjoyable without discrimination as to place of invention or imported/locally manufactured

3 Exceptions for grant of patents:

- i. To protect public order or morality– if dangerous for human, animal, plant life or health or seriously prejudicial to environment
- ii. Diagnostic, therapeutic and surgical methods for treatment of humans or animals
- iii. Plants and animals, other than microorganisms and essentially biological processes for production of plants or animals

Patents (Contd.)

- Rights conferred :
 - i. **Product Patent** : Holder gets exclusive rights to prevent others from making, using, offering for sale, selling, or importing the patented product
 - ii. **Process Patent** : Holder gets exclusive rights to use the process and to prevent others from using the process in forms like use, offering for sale, sale or import product obtained directly by that process
- **Terms of Protection** is for at least 20 years from the filling date of patent
- **Compulsory licensing** allowed subject to conditions

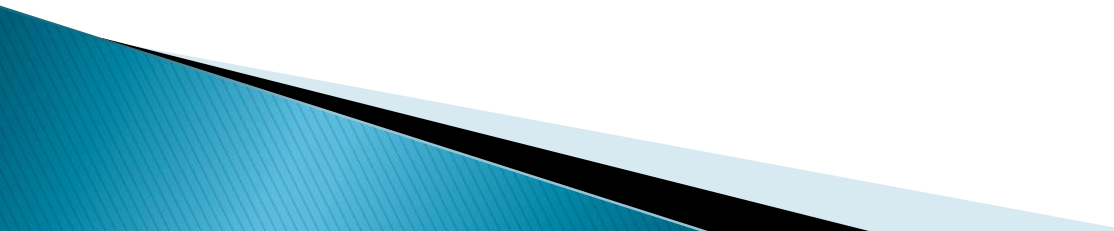
Trademarks

- Trademark protects any word, name, logo or device used to identify, distinguish or indicate the source of goods or services
- Includes trade dress (the total image and overall appearance of a product) and product configuration (the shape if non functional)
- The purpose is to safeguard the integrity of products and to prevent product confusion and unfair competition
- The **term of protection** (initial registration and each renewal of registration) of a trademark shall be for a term of not less than **7 years**

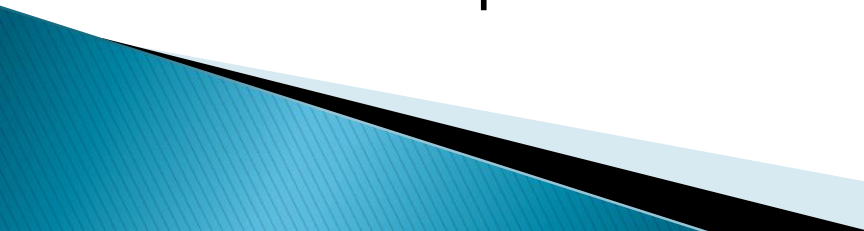
Industrial Design

- Protects the artistic aspect (namely, texture, pattern, shape) of an object instead of the technical features
- **The term of protection:** amount to at least 10 years. *'Amount to'* allows the term to be divided into two periods (for example two periods of five years)
- A third party is prohibited from making, selling or importing articles bearing a design which is a copy of the protected design, when such acts are undertaken for commercial purposes
- Exception: where use does not unreasonably conflict with the normal exploitation of protected industrial designs and does not unreasonably prejudice the legitimate interests of the owner of the protected design, taking into account the legitimate interests of third parties

Layout Designs

- It refers to mask works (topographies) of the integrated circuits, the stencils used to etch or encode an electrical circuit on a semiconductor chip
 - Protection conferred to “original” layout–design/topographies
 - Exclusive rights include the right of reproduction and the right of importation, sale and other distribution for commercial purposes
 - **The term of protection:** ten years from the date of first commercial exploitation
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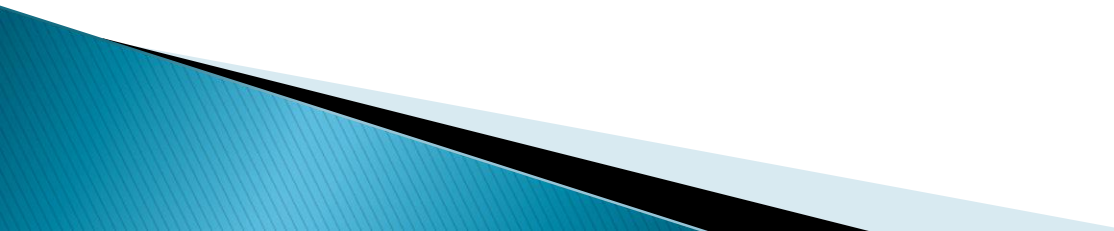
Undisclosed Information

- Undisclosed information protection (trade secret) applies to information that is **secret**, that has **commercial value** because it is secret and that has been subject to **reasonable steps to keep it secret**
 - Trade secrets consist of formulae, patterns, process or compilation of information. (for example the formula for a sports drink)
 - In most countries, they are not subject to registration but are protected through laws against unfair competition
 - Like geographical indications, trade secrets also **do not have a limited term of protection**; protection continues until the GI is not allowed to become generic, and efforts required to maintain a trade secret continue
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Copyright

- Copyright grants exclusive rights to the creator of original scientific, artistic and literary works including computer programmes and databases
- 'Original' is key in defining a work that qualifies for copyright protection
- The term of protection – Shall be no less than 50 years from date of authorised publication. Term of protection is 25 years for photographic works and works of applied art
- Countries to confine limitations or exceptions to exclusive rights to certain special cases which do not conflict with exploitation of the work and not prejudicial to right holder
- Protection to be extended to every production in literary, scientific and artistic domain as also to computer programmes and to data bases
- Protection only to expressions and not to ideas

Copyright...contd.

- **Three basic principles of protection**
 - i. **National Treatment** : work originating in one member State must be given same protection as accorded to works of nationals of another member State
 - ii. **Automatic Protection**: Protection be automatic and not subject to any formality of registration
 - iii. **Independence of protection** : enjoyment and exercise of rights granted is independent of existence of protection in the country of origin
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Geographical Indications

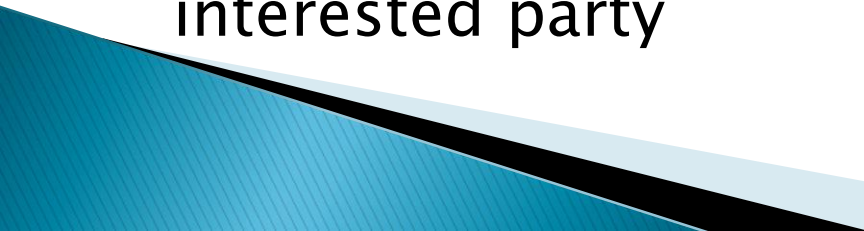


Geographical Indications

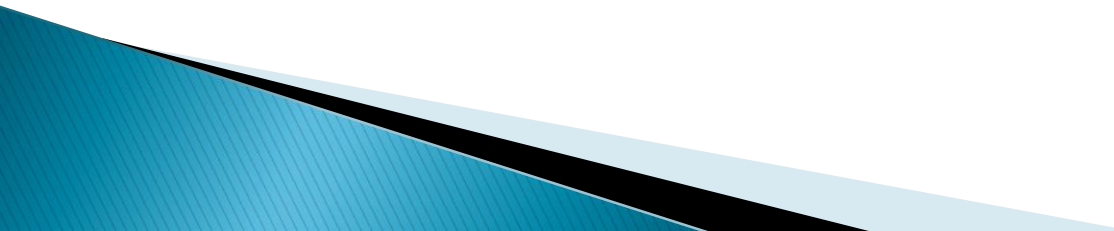
- GIs are indications which identify a good as originating in a region or locality, where a given reputation and quality or other characteristics of the good is essentially attributable to its geographical origin (for example: Darjeeling tea)
- TRIPS prohibits the use of GIs in such a way as to cause deception and provides for injunctive relief, refusal of trademark registration, etc
- Two levels of protection, one where public is misled or there is unfair protection, and the other where protection is absolute
- Exceptions such as countries are not obliged to bring a geographical indication under protection, where it has become a generic term for describing the product in question

GIs under TRIPS

- Definition under TRIPS

- *..indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin (Article 22)*
 - Members must provide legal means to protect GIs and to prevent use of GIs which mislead the public
 - Registration of Trademark using a GI in a way that misleads the public regarding true place of origin must be refused or invalidated at the request of an interested party
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GIs and TRIPS

- Wines and spirits enjoy a higher level of GI protection
 - Cannot use a GI identifying wines or spirits not originating in the place indicated by GI. This applies **even where public is not being misled**, there is no unfair competition and true origin of goods is indicated
 - GI accompanied by expressions like “kind” , “type”, “style”, “imitation” cannot also be used
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Exceptions for GI Protection

- Exceptions for GI protection:
 - i. Where GI has become a **generic** term for describing the product in question (e.g. 'calico' referred to cotton cloth imported into Europe from Calicut but now a generic term for coarse cotton cloth)
 - i. Use of prior trademarks in good faith
 - i. GIs not protected or used in the country of origin

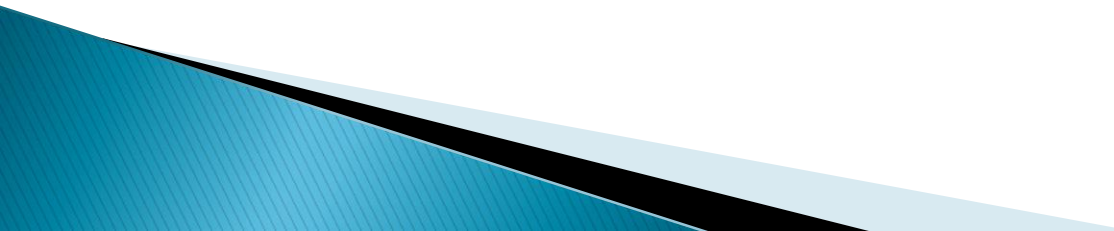
Indian Legal Framework

- ▶ Geographical Indication (Registration and Protection) Act, 1999
 - ▶ Geographical Indications (Registration and Protection) Rules, 2002
 - ▶ Brought into force on 15th September 2003
 - ▶ Registration necessary for protection under the Act.
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GI Definition: Items covered

- Agricultural goods
- Natural goods
- Manufactured goods
 - Goods of handicraft
 - Industrial goods
 - Foodstuff
- Production/ Processing/ Preparation must take place in the territory

GI Definition: Qualifiers

- Given quality
 - Reputation
 - Other characteristics
 - Attributable to its geographical origin
 - GI need not be a geographical name – Eg Alphonso Mango
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Registration

- Of GIs, Proprietors & Authorized Users
 - **Registered Proprietors:** Any association of persons, producers, organization or authority established by or under the law can be a registered proprietor.
 - Name should be entered in the Register of Geographical Indication as registered proprietor for the Geographical Indication applied for.
 - **Authorized User:** producer of the goods in respect of which a GI has already been registered may ask for being registered as an authorized user
- GI Registry set up in Chennai
- Valid for **10 years**
- Renewable *ad nauseum*
- Registration *prima facie* evidence in court of law

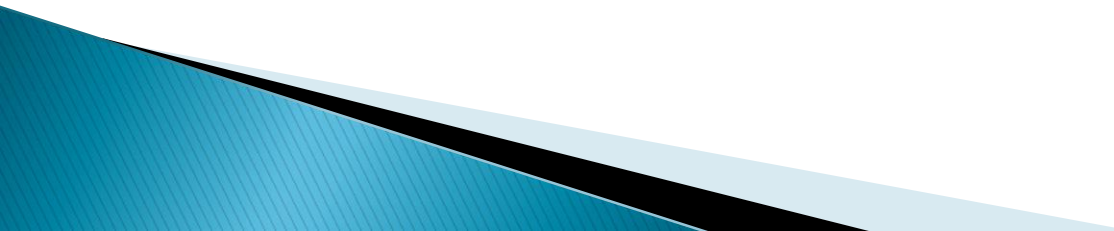
Who can Register?

- Producer

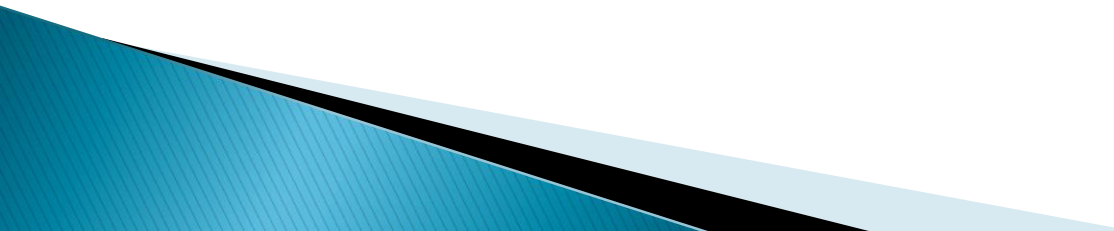
- Any association of persons or producers or
- Any Organization/authority established under law
- which represent the interests of the producers of the concerned goods

- Authorized User

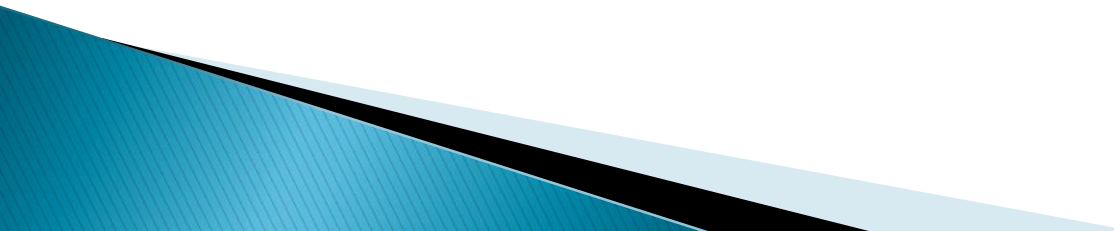
Filing a G.I. Application

- Same principle for Indian and foreign applicants
 - Mode of Filing
 - By listing all producers of G.I. Products joining together - 87 tea garden of Darjeeling Tea
 - By collective reference to all bonafide producers in the defined area – Assam Tea (3 million producers)
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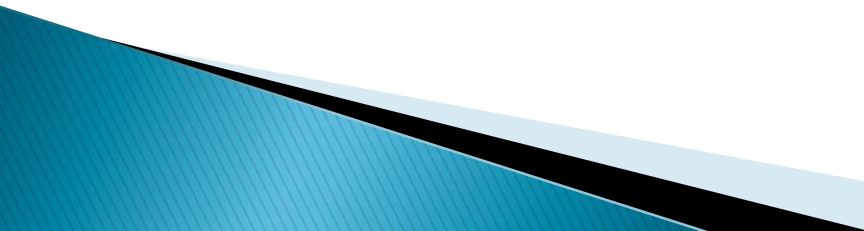
G.I. Application

- A statement describing how the G.I. serves to designate the goods as originating from identified area having special quality, reputation or other characteristic.
 - Details of the mechanism to ensure that the standards, quality, integrity, consistency of other special characteristic are maintained.
 - Map of the territory.
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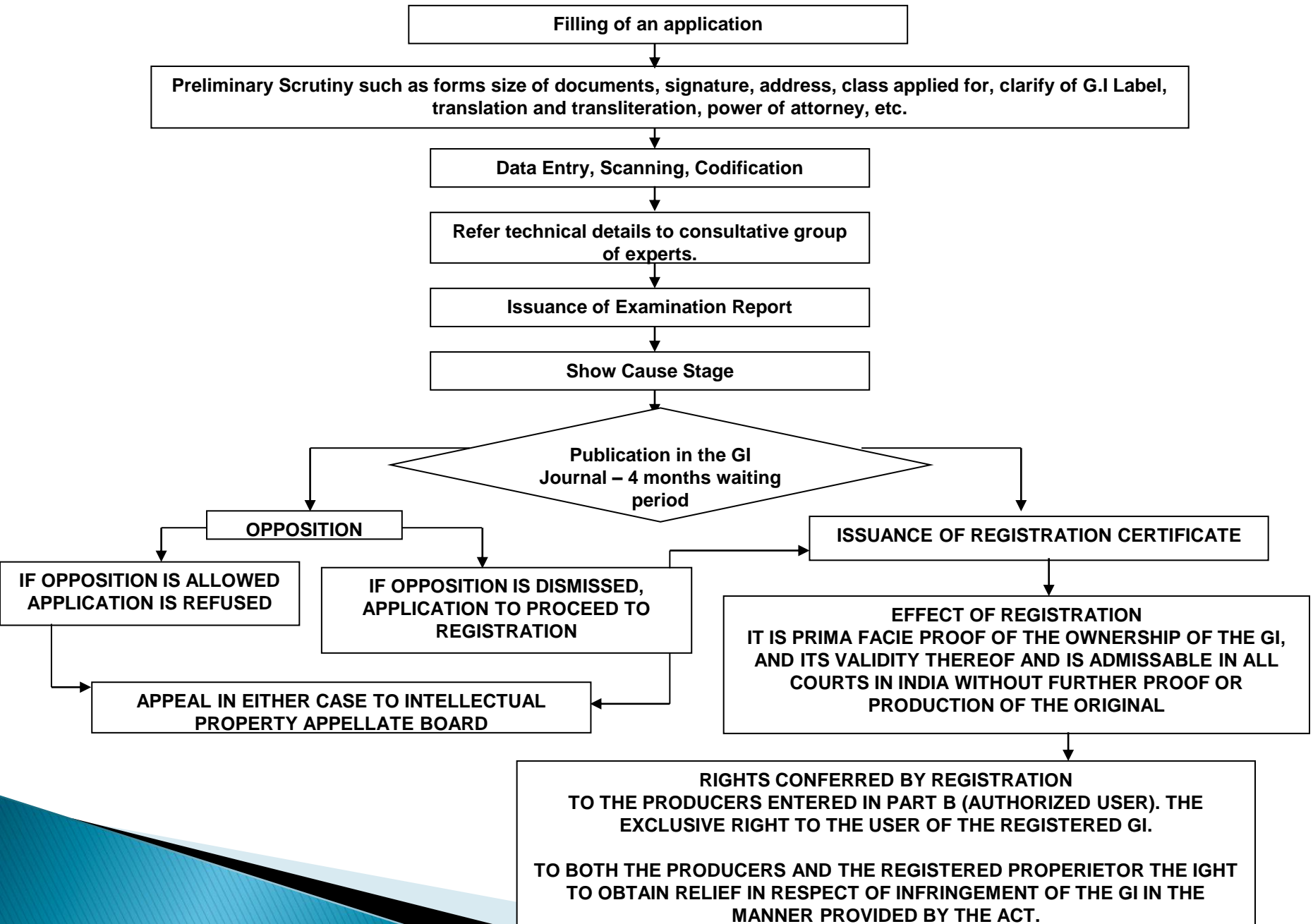
G.I. Application

- Particulars of uniqueness as regards the environment.
 - Inspection structure to regulate the use of G.I.
 - The class as per nice classification of goods
 - An affidavit as to how applicant claims to represent the interest of stake holders
 - Details of any special human skill involved
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Protection to Foreign G.I.

- Identical procedure for registration.
 - Application through local agent/ attorney and the G.I. applicant is required to have an address for service in India.
 - Registration necessary for protection in India
 - Failing this only 'passing off' a show remedy is available.
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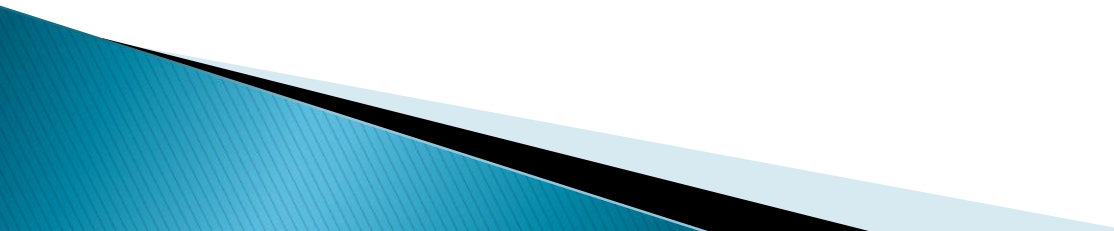
SCHEMATIC DIAGRAM TO PROCESS A G.I. APPLICATION




Pre-Examination Stage

- ▶ Pre-examination stage
 - To check that form, fee, name, address, map of area, etc. are in order.
 - Applicant to rectify deficiencies within 30 days
- ▶ Consultative Group of experts
 - All applications to be examined by an expert group of 7 members

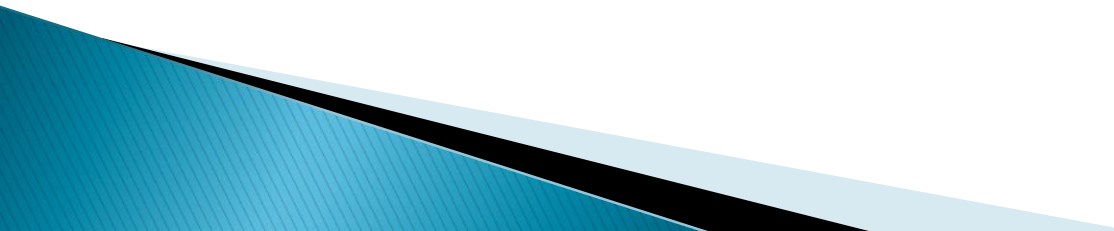
Processing: Consultative Expert Group

- ▶ Group consists of technical expert from the trade, university, law and G.I.
 - ▶ Assesses correctness of particulars furnished in G.I. application and statement of case.
 - ▶ Submits report within 3 months after site visit
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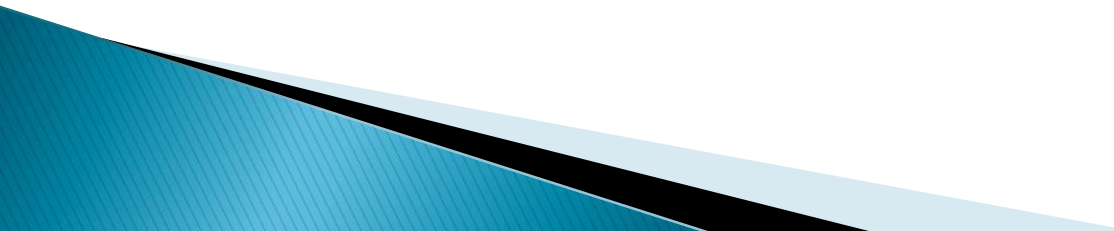
Processing: Publication & Opposition

- Accepted applications are published in the G.I. Journal giving full details of production mechanism in the defined area
 - Opposition possible within 4 months
 - Typical grounds generally include:
 - G.I. has become generic and has lost its original meaning
 - Some areas excluded or wrongly included
 - G.I. likely to mislead consumers etc.
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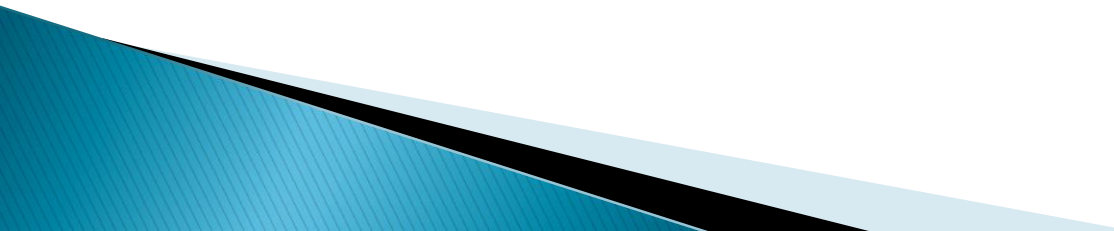
Processing: Post-opposition

- Notice of opposition to be served on applicant within 2 months.
 - Applicant is required to file counter-statement within 2 months failing which application is deemed abandoned.
 - Each party may avail maximum of 3 months to file respective evidences.
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Processing: Registration

- Registrar to pass orders within 30 days of completion of hearing.
 - Decision of Registrar is notified in writing.
 - On acceptance, entry is made in the Register of G.Is. and certificate is issued.
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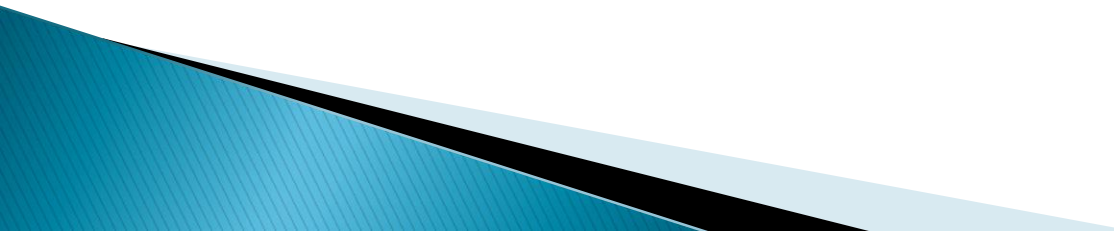
Rights conferred by Registration

- ▶ **To Registered Proprietor of the GI and the authorized user or users:** Right to obtain relief in respect of infringement
 - ▶ **To Authorized User:** Exclusive Right to the use of GI in relation to the goods in respect of which the GI is registered.
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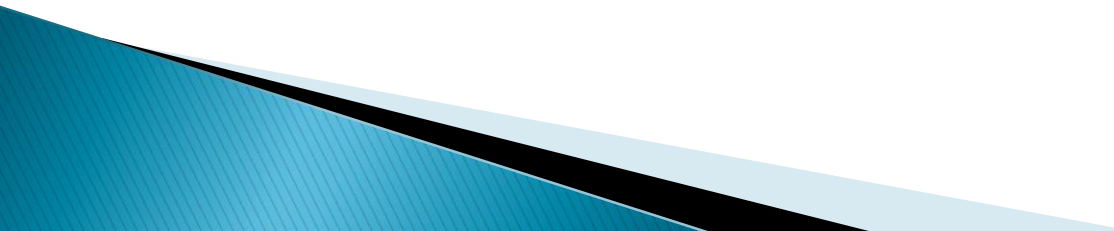
Infringement of GI

- ▶ **Civil Remedies (Section 67):** These include injunctions (Interim and permanent), damages, delivery up of the infringing goods for destruction and forfeiture of the goods that bear false representation of an existing Geographical Indication.
- ▶ **Criminal Remedies (Section 39):**
 - Minimum imprisonment of 6 months
 - Maximum imprisonment 3 years
 - Enhanced punishment for subsequent offences
 - Minimum fine INR 50,000
 - Maximum fine INR 200,000


Post Registration...

- ▶ The job is not over with GI registration
 - ▶ Steps should be taken to protect the GI
 - ▶ Evolve a financially viable model for monitoring and surveillance
 - ▶ Brand Building Exercises to be initiated:
Marketing and Distribution Strategies
 - ▶ Inform retailers/ consumers about the GI
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Post Registration...

- ▶ GI registration, in conjunction with appropriate marketing efforts can enhance incomes of the producers
 - ▶ Eg. In case of Kota Doria, incomes of weavers have almost tripled over the past few years after GI.
 - ▶ However, in respect of another product in which no additional marketing effort was made, producer incomes and sales have not increased significantly.
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IPR Laws in India

- ▶ The Patents Act, 1970 (amended in 1999, 2002 and 2005)
 - ▶ Copyright Act, 1957 (amended in 1999)
 - ▶ The Designs Act, 2000
 - ▶ The Trade Marks Act, 1999
 - ▶ The Geographical Indications of Goods (Registration & Protection) Act, 1999
 - ▶ The Semi-conductor Integrated Circuits Layout-Design Act, 2000
 - ▶ The Protection of Plant Varieties and Farmers' Rights Act, 2001
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Thank you

