



INSTITUTE OF AERONAUTICAL ENGINEERING

INTELLECTUAL PROPERTY RIGHTS

**Electronics and Communication
Engineering
IIIB.tech.II SEM**

By
K.L.REVATHI
MBA Department



Trade Marks Act, 1999

TM Non-conventional Trade Marks

Microsoft



Twentieth Century Fox



Yahoo!





Trade Marks Act, 1999

(Act No. 47 of 1999)

“An Act to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks”

- This Act replaces the Trade and Merchandise Marks Act, 1958 (43 of 1958) which is repealed by this act.
- It extend to the whole of India
- It shall come into force on such date as the Central Government may, appoint by notification in the Official Gazette



Who can use a trade mark ?



- ✓ The right to use a mark can be exercised either by **the registered proprietor or a registered user** or anybody else who has been duly authorized by the registered proprietor or a registered user.
- ✓ The objective of the Trade Marks Act, 1999 is to register trade marks applied for in the country and to provide for better protection of trade mark for goods and services and also to prevent fraudulent use of the mark.

TM Who can make an application ?

- Any person who claims to be the proprietor of a trademark used or proposed to be used by him can apply for the registration of the mark for goods as well services.
- The application for registration has to be made in writing to the Registrar of Trade Marks and it has to be filed in the office of the Trade Mark Registry under whose jurisdiction the principal place of the business of the applicant in India falls.
- In case the principal place of business is outside India, then the application can be filed in the office of the Trade Mark Registry, under whose jurisdiction the place that has been mentioned in the 'address for service' section of the application (usually office of the lawyer appointed by the person) is located.
- In case of a company about to be formed, anyone may apply for a trademark registration in his name for subsequent assignment of the registration in the company's favor.




Assignment, Transmission and Licensing of Trademarks in India

- Assignment means an assignment in writing by an act of the parties concerned. While in case of licensing, the right in the trademark continues to vest with the proprietor, the assignment of the trademark leads to a change in the ownership of the mark.
- According to section 39 of the Indian Trade Marks Act, 1999, a registered trademark is assignable with or without the goodwill in respect of all or only some of the goods/services for which the mark is registered.
- Indian law contains embargo on the assignments of trademark, whether registered or unregistered, whereby multiple exclusive rights would be created in more than one person which would result in deception/confusion.

TM Legal requirements for registration ®

- The selected mark should be capable of being represented graphically (that is in the paper form).
- It should be capable of distinguishing the goods or services of one undertaking in relation to which it is being used from those of others.
- It should be used or proposed to be 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 with or without revealing identity of that person

TM Duration of trade mark protection in India

- Term of registration of a trademark is ten years, which may be renewed for a further period of ten years on payment of prescribed renewal fees.
 - However, non-usage of a registered trademark for a continuous period of five years is a valid ground for cancellation of registration of such trademark at the behest of any aggrieved party.
- 



Infringement of trade marks



- Infringement of trademark is violation of the exclusive rights granted to the registered proprietor of the trademark to use the same. A trademark is said to be infringed by a person, who not being a permitted user, uses an identical/ similar/ deceptively similar mark to the registered trademark without the authorization of the registered proprietor of the trademark.
- However, it is pertinent to note that the Indian trademark law protects the vested rights of a prior user against a registered proprietor which is based on common law principles.



Passing Off



- Passing off occurs in the case of unregistered Brand Names.
- The owner or to say Brand holder has the preferred right over the Brand owing to long and continuous use though the Brand being unregistered (under the Trademark Act), an action of Infringement cannot be initiated.
- In such a situation, action of PASSING OFF is an alternate remedy. A 'Passing off' action can be initiated in the appropriate Court of law.
- A Passing Off action can be brought in by the original owner or user of a Brand against another person, who in the course of trade, misrepresents to its prospective or ultimate customers about its goods or services in a manner so as to show that they are connected to the goods or services of the original owner and this is done in a calculated fashion to injure the business or goodwill of the original owner or to earn benefit at the cost of the original owner. It is also important that actual deception and actual damage has to be proved for any relief of passing off.



TM WHO CAN BRING A SUIT OF INFRINGEMENT

- The plaintiff in an infringement suit may either be:
 1. The owner/proprietor of the registered Brand/Trademark
 2. A registered user of a trade mark subject to a prior notice to the registered proprietor and consequent failure of the registered proprietor to take any action against the infringer
 3. Legal heir and legal successor of the proprietor of registered trademark
 4. Legal heirs of the deceased proprietor of a trade mark
 5. Joint proprietors of a trade mark



ESSENTIALS IN THE OF INFRINGEMENT



1. **The person must have registered the Brand** (whether in form of words, name, logo, design, tag line etc.) under its name as per the applicable provisions of Trademark Act 1999 to be entitled to file the suit.
2. The suit for infringement can be brought for **unauthorized use of registered brand** or even for intended or threatened use.
3. **The infringement must be of a nature** as it would actually amount to infringement due to the similarity of the mark used with the registered mark or due the mark being identical to the registered mark.

Continuing...

4. It is also essential to prove that the person being alleged for Infringement, knew or had reason to believe that the application of the mark was not duly authorized by the proprietor or a licensee of the mark.
5. Existence of huge and natural likelihood of confusion, between the genuine trademark of the registered proprietor and the mark used by the alleged infringer. For Example, a company dealing in same business using the mark "Samsang", even though the spelling and way of presentation is different from the famous "Samsung" trademark
6. Prominence, Popularity, and Convincing strength of the infringer's trademark by showing similarity in the overall impression caused by both the trademarks. Example: In the pronunciation of mark, overall commercial impression, etc.



Mahendra and Mahendra Paper Mills limited vs. Mahindra and Mahindra limited



- ❖ Petitioner : MAHINDRA AND MAHINDRA LIMITED
- ❖ Respondents: MAHENDRA AND MAHENDRA PAPER MILLS LIMITED
- ❖ Trade Mark: “Mahindra”

- According to Mahindra and Mahindra Ltd, it came to know the existence of a company named Mahendra and Mahendra paper mills ltd in august 1996, after it came across a prospectus in respect of the latter's public issue and contended that the words used by the paper mill were phonetically, visually and structurally almost identical and in any event deceptively similar.
- 'Mahindra' is not only a registered trade mark but forms the dominant and significant part of the plaintiff and other companies of the group carrying the name 'Mahindra' are engaged in industrial and trading activities in multiple fields such as manufacture of cars, jeeps, tractors, motor spare parts, farming equipments, chemicals, hotels, real estate, exports, computer software and computer systems, etc.

Continuing...

- The plaintiff has stated that the name and trade mark of 'Mahindra' is extremely popular in India and is associated with the products and services of the plaintiff. It was further averred that the Mahindra group of companies have a nation-wide network of selling and distributing agents. The name and trade mark "Mahindra" have come to be known exclusively with the plaintiff and its group of companies and have acquired tremendous reputation and goodwill among members of public throughout the world including India.
- In reply, the paper mills said that the deponent is better known as 'Mahendrabhai' in the trade circle and he resides in 'Mahendra House' named after him. He has been filing income returns in the name of Mahendra G. Parwani. In the year 1974 he started his sole proprietary business in Prantija District of Gujarat in the name of 'Mahendra Radio House'. After about four years, he along with his two brothers started a partnership firm in the name of 'Mahendra & Mahendra Seeds Company'. According to the deponent, his nephew's name is also 'Mahendra' and that is how the partnership firm came to be named as Mahendra & Mahendra Seeds Company.

Continuing...


- The defendant further averred that on 1st of January, 1982 the said partnership of Mahendra & Mahendra Seeds Company was incorporated as Pvt. Ltd. company in the name of 'Mahendra & Mahendra Seeds Pvt. Ltd.
- It is the further case of the defendant that in the year 1994 incorporated a company by the name of 'Mahendra & Mahendra Paper Mills Ltd.'. According to the defendant, the words 'Mahendra & Mahendra' was a continuation of their business name which they have been using continuously for various businesses since the year 1974. The defendant also stated that the name 'Mahendra' is a household name in Gujarat and there are several businesses being carried on in the said name throughout Gujarat. The defendant further stated that its products are, in no way similar to the products and businesses of the plaintiff. The business carried on by the defendant does not overlap with the business of any of the companies enlisted by the plaintiff. The defendant pleads that it has a reputation of its own in the name of 'Mahendra & Mahendra' and cannot derive any benefit by the name which is alleged to be similar to that of the plaintiff.
- Considering both the sides the Bombay High Court held that the plaintiff has established a prima facie case and irreparable prejudice in its favor and passed an order of injunction restraining the defendant-company.

World Wide Brands Inc., Gurgaon Vs. Central Warehouse, Bangalore and others



- ❖ Petitioner : Mr. Habibullah Basha, for M/s. Gladys Daniel (M/s. World Wide Brand Inc.)
 - ❖ Respondents: Central Warehouse
 - ❖ Trade Mark: “Camel Collection”
-
- The petitioner had applied for registration in India for the "Camel Collection“ trade mark dated 29.12.1995 in respect of “clothing, footwear and headgear”.
 - The respondents are not proprietors of the trade mark "Camel Collection" and knowing fully well that the said trade mark had acquired reputation and goodwill and were exclusively identifiable with the goods of the petitioner' company, had adopted the said trade mark. The respondents cannot, therefore claim to be the proprietors of the trade mark within the meaning of Section 18(1) of the Trade Marks and Merchandise Act, 1958.

Continuing...

- The respondents filed their counter statements disputing the claim of the petitioner by contending that the respondents have adopted the trade mark "Camel Collection" along with device of camel and are using since the year 1992 with openly and continuously without any encounter several years.
 - The claim of the petitioner that they had earned reputation and goodwill was denied. By virtue of long and continuous extensive use since the year 1992, the respondents' trade mark is being adopted to distinguish their goods and it is distinctive of their goods only and with none else. Hence, the respondents contended that the applications were well within the provisions of The Trade Marks and Merchandise Act, 1958.
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Continuing...

- The appellate Board found that in as much as the territory for the licensee is mentioned as Benelux, Switzerland, Denmark, and Israel and the license agreement was in respect of use of trade mark set forth in Schedule-A of the licensed articles and in connection with the manufacture, advertisement, permission, sale and distribution thereof in the territory described therein. Hence, the said license agreement said to have entered into by the petitioner with Dornbusch & Co will not establish the manufacture of garment with trade mark 'camel' by the respondent through the licensee Dornbusch & co.
- Having considered the entire issue, **the appellate Board had rejected all the objections and had ultimately dismissed the appeals.** Challenging the said order the present civil revision petitions.

™ The Honda Case



HONDA

- ❖ Plaintiff: **Honda Motors Co. Ltd., Japan**
 - ❖ Defendant: **Nonelectric pressure cookers manufacturing Company**
 - ❖ Trade Mark: **“HONDA”**
-
- Decided by the **High Court of Delhi in 2002**, this case concerned the use by a local defendant of the mark HONDA in connection with pressure cookers. Even before the filing of the lawsuit, the parties had locked horns in 1991 before the Trade Marks Office.
 - An opposition by the plaintiff, Honda Motors Co. Ltd., Japan, was granted by the Registrar of Trade Marks against the defendant's application to register HONDA in connection with nonelectric pressure cookers.

Continuing...

- The plaintiff assumed that after rejection of its application, the defendant stopped using the mark HONDA in connection with pressure cookers. However, in 1999, the plaintiff came across another application for registration of the mark HONDA in Class 21 with respect to “pressure cookers.”
- In addition to filing an opposition, the plaintiff filed an instant suit for passing off, claiming, inter alia, prior rights based on use in India going back to the 1950s and international reputation and goodwill including in India.
- The defendant challenged the plaintiff’s preliminary injunction request on various grounds, alleging, inter alia, that: its use of the mark at issue dated back to 1985; that the defendant was the prior user of the mark in connection with pressure cookers; that the parties’ respective goods were different and hence there would not be any confusion or deception; and that the plaintiff’s claims were barred by laches as a result of its delay in filing the suit.

Continuing...

- Holding in **favor of the plaintiff** and enjoining the defendant, the Court found that HONDA had a reputation for superior quality products in the field of automobiles and power equipment and that the defendant's use of this mark in connection with pressure cookers would mislead the public into believing that the defendant's business and goods originated from the plaintiff. The Court found that such user by the defendants had also diluted and debased the goodwill and reputation of the plaintiff.
- The Court's findings were, therefore, based on two factors
 - Being deception of the public
 - Dilution of the plaintiff's goodwill and reputation in the mark HONDA

IPR Protection in India

AGENCIES AND TREATIES


Structure of the Presentation

- ▶ An Overview –The IP Laws of India & its TRIPS Compliance
- ▶ The IP Offices in India
- ▶ Nodal Agencies & Facilitation agencies
- ▶ The Road Ahead



An Overview –The IP Laws of India & its TRIPS Compliance

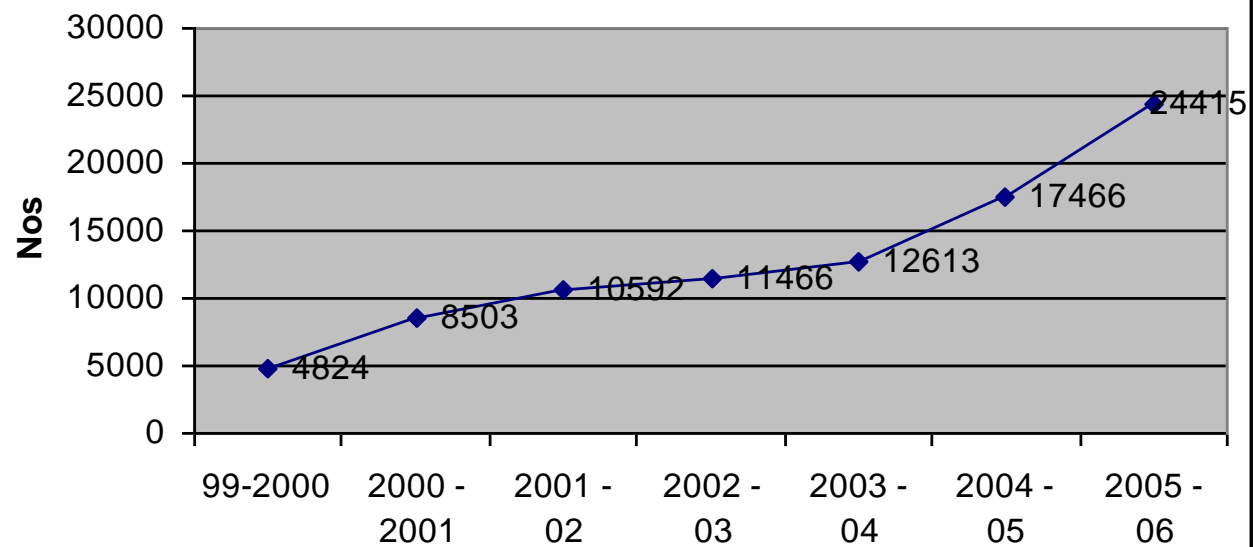
An Overview

- ▶ India is a signatory of TRIPs in the Uruguay Round agreement of 1995. It is now bound to amend her existing laws in order to make it to make it TRIPs-compliant.
 - ▶ The government has initiated action to bring in the requisite changes. In the last few years, India has enacted fully TRIPs-compliant Trademarks Act, Copyright Act, Designs Registration Act, Geographical Indications Act and Protection of Layouts for Integrated Circuits Act. A novel Plant Varieties Protection and Farmers Rights Act 2001 and the Bio-diversity Act 2002 are also in Place.
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PATENTS

- ▶ As on date, India is fully in compliance with its international obligations under the TRIPs Agreement.
- ▶ **The Patents Act 1970 has undergone three amendments – 1999, 2002 & 2005.**
- ▶ **The III Amendment in 2005 has major implications on the following:**
 - Introduction of product patent protection for food, pharmaceutical and chemical inventions.
 - Examination The “mail box” applications, from January 01, 2005

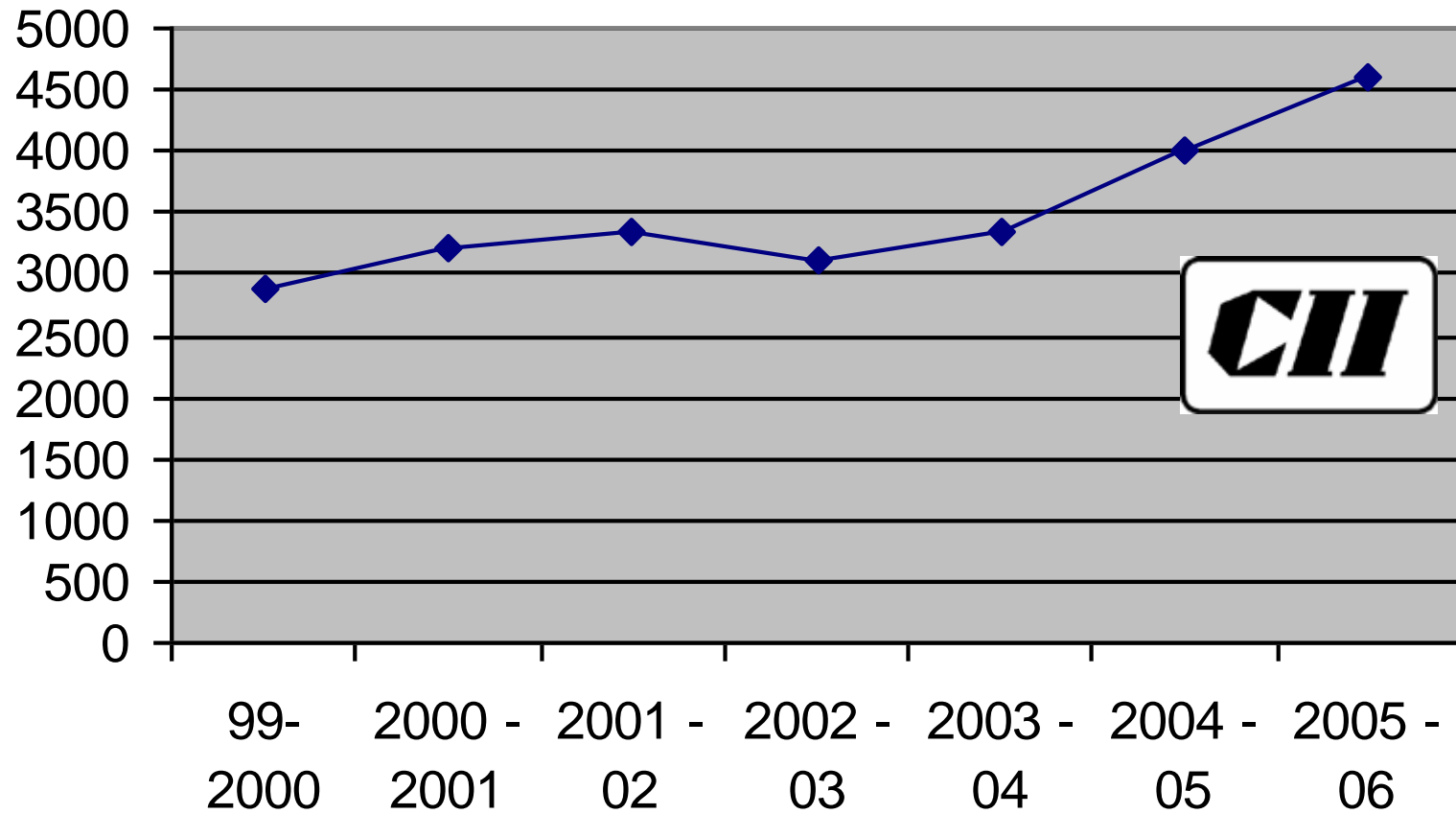
PATENTS FILED IN INDIA



DESIGNS

- ▶ The existing legislation on industrial designs in India is contained in the New Designs Act, 2000 India had achieved a mature status in the field of industrial designs and in view of globalization of the economy. The present legislation is aligned in view of the changed technical and commercial scenario and made to conform to international trends in design administration.

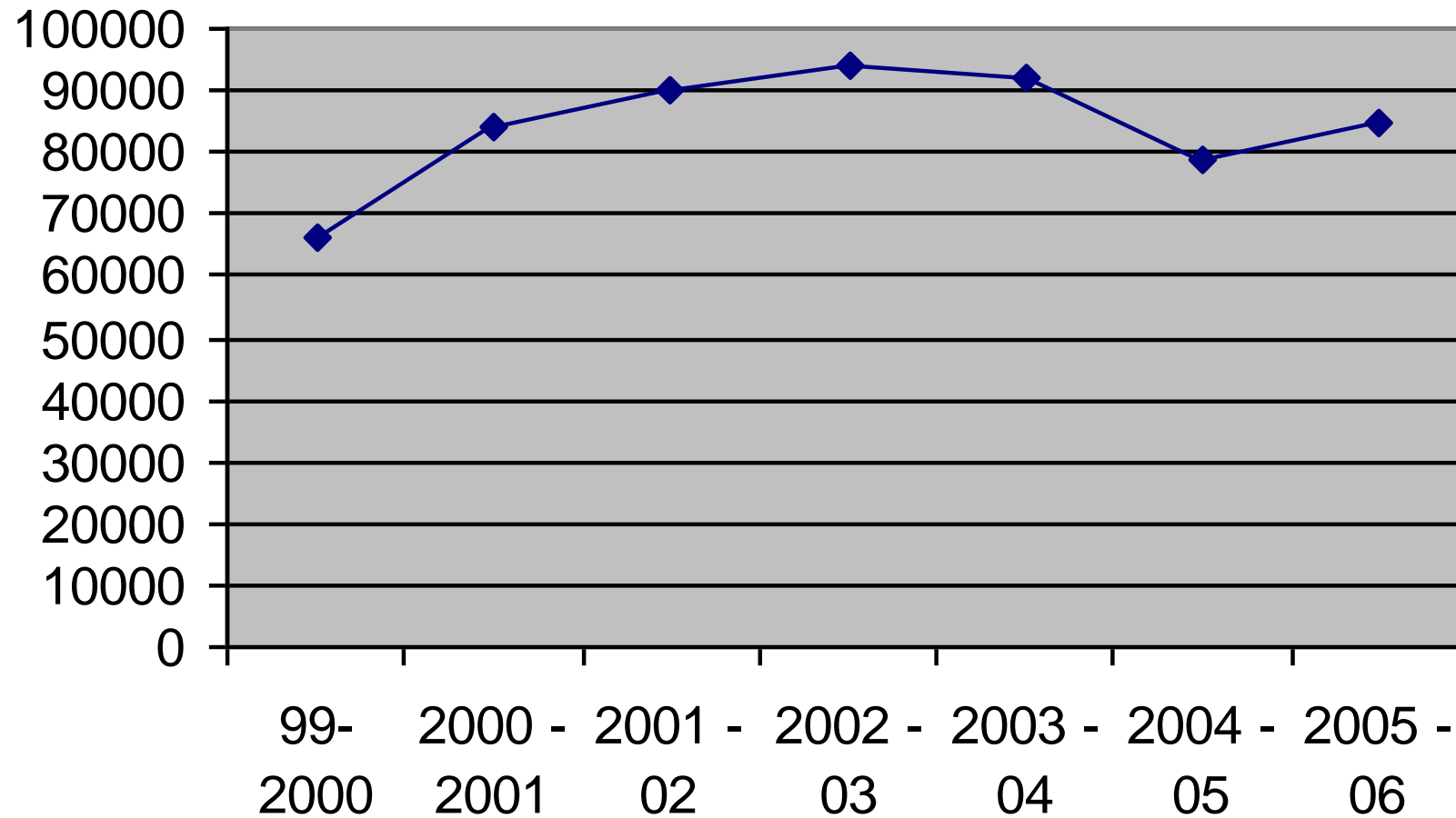
DESIGN IPRs filed in India



TRADEMARKS

- ▶ India affords full protection to trade marks under the Trade Marks and Merchandise Act. The Indian law of trademarks is protected by the Trade & Merchandise Marks Act, 1958. A new statute i.e. the Trade Mark Act, 1999 has been enacted in India to bring it in conformity with the TRIPs Agreement, to which India is a signatory. Indian Trademarks Act, 1999, came into force on September 15, 2003.
- ▶ India has made a step towards fulfilling its international obligations. Consequently, the Indian trademark law has now become fully compatible with the International standards laid down in the TRIPs Agreement. The New Act primarily consolidates and amends the old Trade & Merchandise Marks Act, 1958 and provides for better protection of goods and services

Trademark applications filed in India



GEOGRAPHICAL INDICATIONS

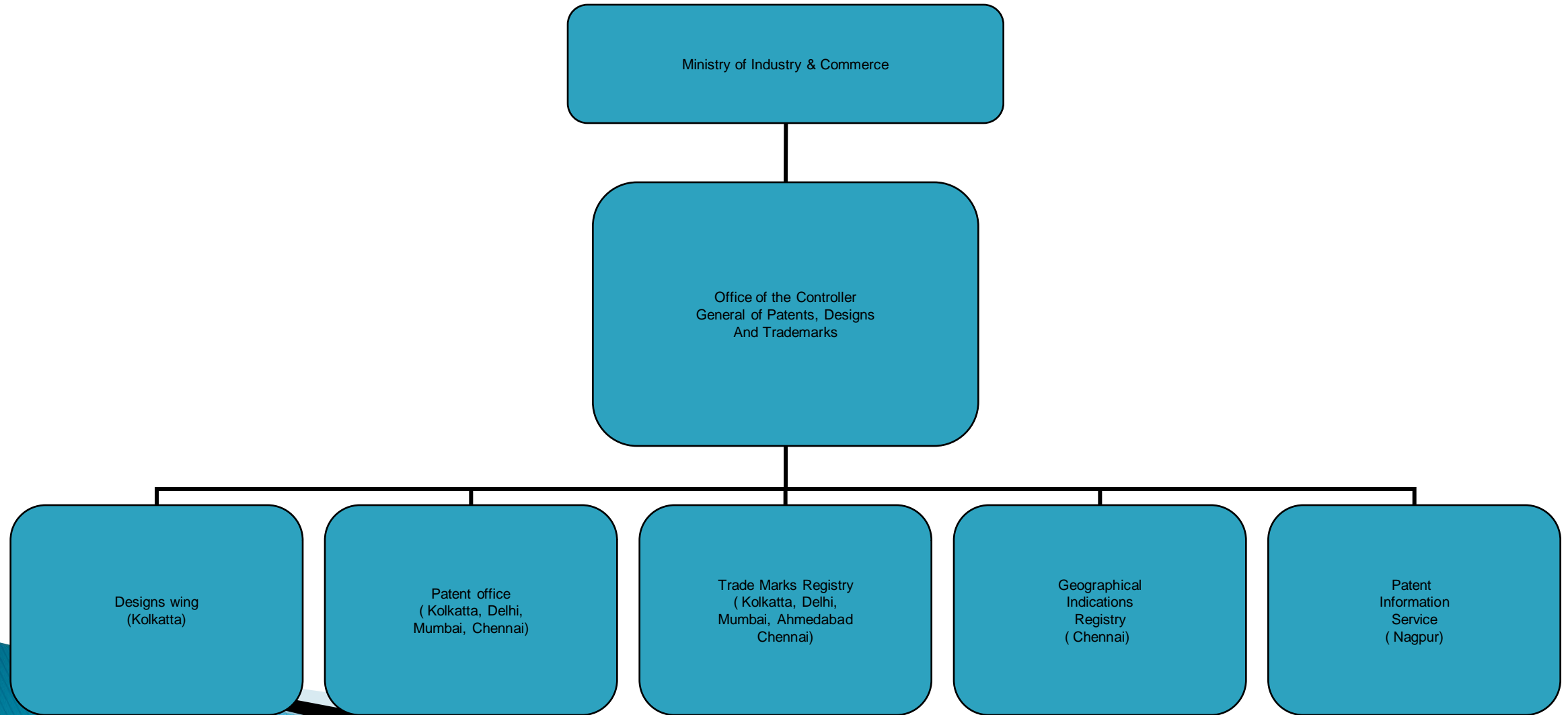
- ▶ India, as a member of the World Trade Organization, enacted the Geographical Indications of Goods (Registration & Protection) Act, 1999 has come into force with effect from 15th September 2003. The source of Geographical origin of the biological material used in invention is required to be disclosed in the specification



COPYRIGHTS

- ▶ India has a very strong and comprehensive copyright law based on Indian Copyright Act. 1957 which was amended in 1981, 1984, 1992, 1994 and 1999 (w.e.f. January 15, 2000). The amendment in 1994 were a response to technological changes in the means of Communications like broadcasting and telecasting and the emergence of new technology like computer software.
- ▶ The 1999 amendments have made the Copyright Act fully compatible with Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement. & fully reflects Berne Convention. The amended law has made provisions for the first time, to protect performers' rights as envisaged in the Rome Convention. With these amendments the Indian Copyright law has become one of the most modern copyright laws in the world.

Organization Structure – IP Offices





IP Building at New Delhi



IP Buildings at Kolkata, Delhi and Chennai

Nodal Agencies for IPR facilitation in India

- ▶ TIFAC Patent facilitation Cell

www.indiapatents.org.in

- ▶ CII – Andhra Pradesh Technology Development & Promotion Center


www.aptdc.com/ www.apipr.org

- ▶ National Research Development Corporation

www.nrdcindia.com



The Road Ahead

- ▶ Further IP Protection Portfolios – Data Protection, Utility Patents, Trade Secrets
 - ▶ New Modernization initiatives in IP Offices
 - ▶ Increased nos of IP Professionals
 - ▶ Increased nos of IPR filings in India
- 

INTRODUCTION TO COPYRIGHT IN INDIA

Structure of the Presentation

- ▶ **Three parts**
 - ▶ (1) Copyright in India
 - ▶ (2) Case Study: Copyrighting DNA
 - ▶ (3) Infringement of Copyright
- 

What is Copyright?

- ▶ “The exclusive right given by law for a certain term of years to an author, composer etc. (or his assignee) to print, publish and sell copies of his original work”
(*Oxford English Dictionary*)



Why Copyright?

- *Fair Play*: Reward creative efforts. “*Thou shall not steal*”
- Exclusive rights for limited time → *Negative right*: prevent copying/reproduction
- Copyright is **necessary** → encourage dissemination of copyrighted works = public interest



England & Wales

- ▶ Indian copyright law similar to England & Wales. First Copyright Act in England (and the world)
- ▶ 1709 → Statute of Anne.



United States

- ▶ First Act in 1790: did not protect foreign authors
- ▶ Indigenous American literature suffered
- ▶ Today: **Copyright Act 1976** one of the major copyright laws in the world



Indian Perspectives


➤➤ The Copyright Act 1957

Copyright in India

- ▶ First Act in 1914, followed by *the Copyright Act 1957*.
- ▶ 1957 Act: adopted many English provisions, introduced new ideas and concepts.



Copyright Act 1957 – Main Features

- ▶ Valid from **21 January 1958**
 - ▶ *Created* Copyright Office and Copyright Board
 - ▶ Introduced ***civil and criminal remedies*** against infringement
- 

Copyright Act 1957 – Main Features (II)

- ***Performing rights societies***' rights (for instance, music royalties)
- ***Definition of categories*** in which copyright actually subsists
- **International copyright**
- ***Definition*** of infringement



Copyright (Amendment) Act 1983 and 1984

Objectives

- ▶ Berne and Universal Copyright Conventions → **grant of compulsory licences** by developing countries, publication by deceased authors
- ▶ 1984 Act: **discouraging and preventing widespread video piracy**



Copyright (Amendment) Act 1992

- ▶ *Defined* ambit of the Copyright Board's powers
- ▶ *Introducing* special rights for performers
- ▶ Assignment and licences of cop
- ▶ Rights of copyright owners



Term of Copyright

- ▶ **Depends** on nature of work/owner of copyright and whether the work has been published



- ▶ Broadcast Rights: **5 years**

- ▶ Most works: **60 years**

The Nature of Copyright



About Fixation, Labour, Skill and Capital

The Nature of Copyright

- *Statute-based*, no registration **necessary**



- Copyright = *intellectual property*
- Combines *different rights* (literary works: the right to reproduce in hardback and paperback editions, the right of translation adaptation)

Labour, Skill and Capital

- ▶ ***“It is the product of the labour, skill and capital of one man which must not be appropriated by another.”*** (- per Lord Atkinson, *Macmillan v Cooper* AIR 1924 PC 75)



It's All About the Idea: Or isn't It?

- Copyright in form or expression, *not* in idea: “There is nothing in the notion of copyright to prevent a second person from producing an identical result...”



(Gregory Committee Report, 1952, para 9)

- Copyright **only in material form** → principle of fixation

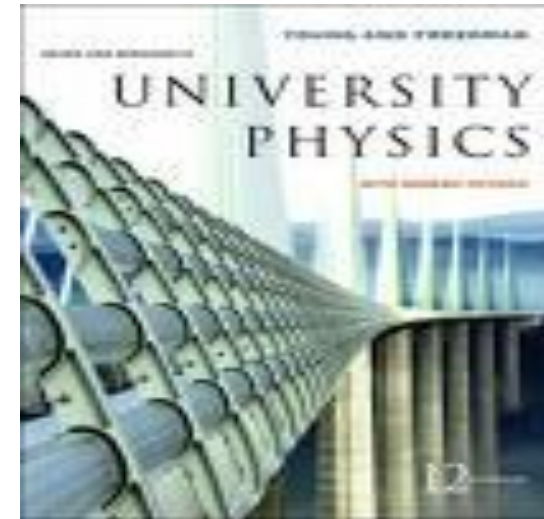
What Copyright Protects

- ▶ Original Literary, Dramatic, Musical and Artistic Works
- ▶ Cinematograph Films
- ▶ Sound Recordings



Literary Works

- ▶ Novels, poems, short stories
- ▶ Books on any subject
- ▶ Computer programmes, tables, computer databases
- ▶ Song lyrics



Computer Software

Includes

- ▶ Programme Manuals
- ▶ Punched Cards
- ▶ Magnetic Tapes/Discs
- ▶ Computer printouts
- ▶ Computer programmes

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File Edit View Insert Format Tools Data Window Help

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POSTAL_CODE

Reply with Changes... End Review...

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2	A0A1A0	AQUAFORTE	NEWFOUNDLAND	AN	NL	709	N	3.5	Y	47.00705	-52.9619
3	A0A1B0	AVONDALE	NEWFOUNDLAND	AN	NL	709	N	3.5	Y	47.41688	-53.1975
4	A0A1C0	BAY BULLS	NEWFOUNDLAND	AN	NL	709	N	3.5	Y	47.32121	-52.8174
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11	A0A1M0	BURNT POINT BDV	NEWFOUNDLAND	AN	NL	709	N	3.5	Y	47.95547	-53.0452
12	A0A1N0	CAI VERT	NEWFOUNDLAND	AN	NL	709	N	3.5	Y	47.06278	-52.9174


Ready

Spotlight on Copyright for the Biotech industry


Work in the biotech industry involving copyrightable subject matter: 

- ❑ Modification of genes of plants, animals
- ❑ To identify causes of diseases
- ❑ To make assays for the testing of various diseases
- ❑ Manufacture of vaccines


DNA and Copyright

- ▶ 1980s/1990s: scholars proposed that **biotechnology work = copyrightable**
 - ▶ Copyright as **alternative to patent law**
 - ▶ Diamond v Chakraborty: 447 US 303 (living organisms patentable)
 - ▶ Practical problems prevented grants
 - ▶ Computer industry successfully lobbied for amendment of 1976 Copyright Act
- 

Arguments against copyrighting of DNA

- ▶ Facts lack originality
 - ▶ Doctrine of merger and non-equivalence of DNA/computer programmes
 - ▶ Utilitarian prohibitions
- 

Arguments for Protection

- ▶ Copyright Subject Matter
 - ▶ **Analogy** between “Literary Works” and computer programmes
 - ▶ DNA as a **Compilation**
 - ▶ **Sweat of the Brow** Doctrine
- 

Copyright Subject Matter

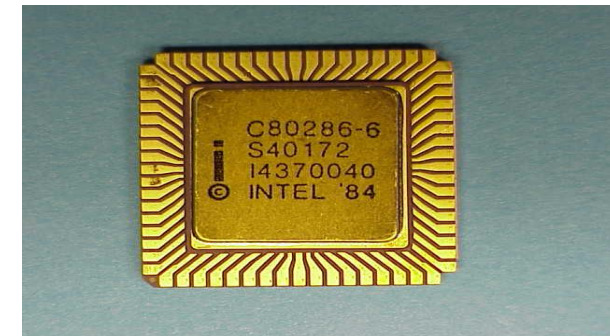
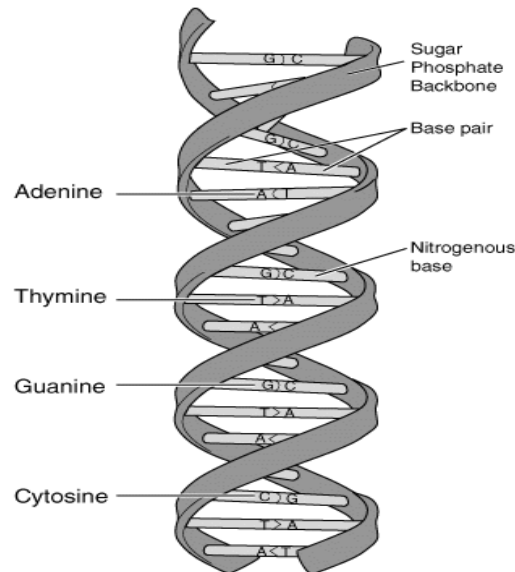
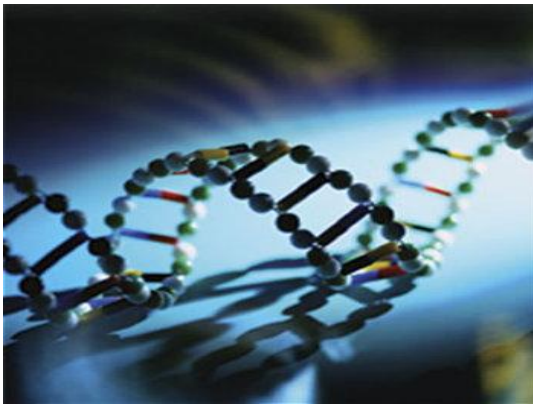
The work concerned has to be

- ▶ ***Original***
- ▶ ***Work of authorship***
- ▶ ***Fixed***

In the United States, Congress intended a wide reading of the term “literary works”

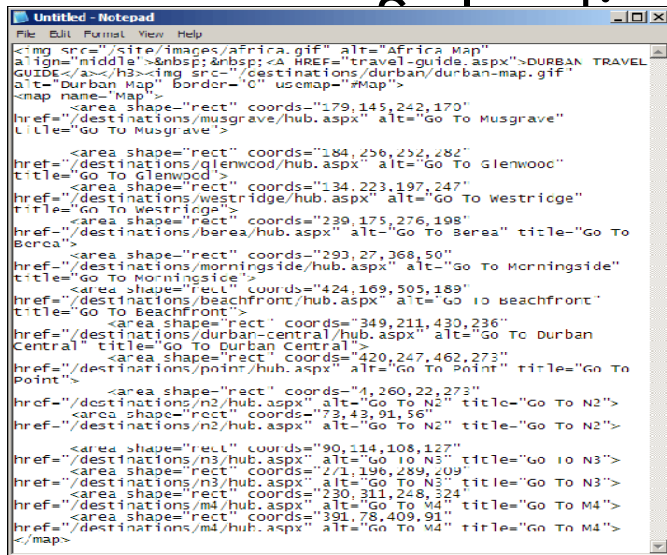
Analogy between Literary Works and Computer Programmes

- ▶ Genetic Sequences are **strings of symbols** of the nucleotides of DNA
- ▶ DNA sequence containing coded genetic information for the synthesis of particular protein = application programme of a computer



DNA as a Compilation

- ▶ Combining various elements of DNA constitutes a compilation: involves assembling of pre-existing materials



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Selection and arrangement of sequence elements
are copyrightable

“Sweat of the Brow” Doctrine

- ▶ **Originality** in the labour expended in the collection and assembly of data: adaptable to DNA sequences
- ▶ Researchers spend **considerable time and effort** to discern the sequence of a gene: they should copyright due to hard work




Why Patents Don't (Always) Work

- ▶ Patents confer monopolies and exclude competitors from conducting research
 - ▶ Can offer rewards disproportionate to risk: **Genentech Inc's Patent** [1989] RPC 147, CA
 - ▶ Public interest would be injured if every corporation could patent anytime, anywhere. Without them, corporations may lack incentive to conduct research
 - ▶ No guarantee for independent researchers that their efforts will pay off
- 

Copyright and Related Rights to the Rescue?

- ▶ Despite conferral of a monopoly, usually another option available: Copyright could be an option in cases without inventiveness
- ▶ Advantage of copyright system: no ban on creation of genomes, merely royalties; licensing schemes can be regulated.


Sequence = Original Literary Work?

- ▶ **S. 3 of Copyright, Design and Patents Act 1988** defines “literary work”
 - ▶ Includes a) table or compilation and b) computer programme
 - ▶ DNA sequence could be literary work as well: created by human mind, written
- 

Telegraph Code Cases

- ▶ Based on these, there is copyright in seemingly arbitrary instances of letters
- ▶ **Anderson & Co v Lieber Code Co** [1917] 2 KB 469
- ▶ **Ager v Peninsular and Oriental Steam Navigation Co.** (1884) 26 Ch D 637
- ▶ **Ager v Collingridge** (1886) 2 TLR 291
- ▶ **Express Newspapers plc v Liverpool Daily Post and Echo plc** [1985] FSR 306

Originality

- ▶ Work may be original, even if derived from previous material, provided further independent skill, useful labour, knowledge or judgment have been bestowed on its creation
 - ▶ Even if nature of subject matter can lead competent author with one solution: **Walter v Lane** [1900] AC 539
- 

Infringement of Copyright in Molecular Sequences

- ▶ **CDPA 1988, s. 16**: copyright owner with exclusive right “to copy the work”
- ▶ **16(3)**: infringement by copying work “as a whole or any substantial part”
- ▶ Infringement cannot take place outside UK or when a legal copy has been purchased from which one adopts a scissor/paste approach: **Warne & Co v Seebohm** (1888) 39 Ch. D. 73


Infringement in Chemical Form?

- ▶ S. 178 of the CDPA 1988: “writing” defined as “*any form of notation or code, whether by hand or otherwise and regardless of the method by which, or the medium in on which, it is recorded*”
- ▶ No understanding by the human mind required: **Apple Computer Inc v Computer Edge Pty Ltd** [1984] FSR 496

Infringing Copy

- ▶ Thing in question has to derive from original literary work
- ▶ What is required is the reproduction of a substantial part of what is original in the copyrighted work: **Warwick Film Productions Ltd v Eisinger** 1 Ch 508, **Ladbroke v William Hill (Football) Ltd** [1964] 1 WLR 273, per Lord Pearson

Indian position – Eastern book Company case

- ▶ This case relates to compilation of Supreme Court judgements
 - ▶ Test for originality
 - ▶ The middle path approach adopted for Derivative works
 - ▶ Sweat of the Brow Vs. Modicum of creativity
 - ▶ U.K. approach (Ladbroke) Vs. U.S.A. (Feist)
 - ▶ India follows the Canadian approach – CCH Canada
- 

Case laws on Copyright

- ▶ There is no reported case on the copyrightability of biotech subject matter
- ▶ There is one case currently pending with respect to plant varieties on the basis of copyright and trade secrecy/confidential information

Case laws

J. Mitra Company Pvt. Ltd. Vs. Span Diagnostics— CS (OS) No. 2020/2006 - Judgment dated 22.02.2008 passed by Ld. Single Judge of Delhi High Court, Hon'ble Mr. Justice Sanjay Kishan Kaul

- ❑ J. Mitra developed a highly qualitative fourth generation Hepatitis – C diagnostic kit
- ❑ which enable the disease to be diagnosed within 10-15 days after the virus enters the human body
- ❑ J. Mitra had applied for a patent on this product before the Indian Patent Office as far back as in 2000
- ❑ The Patent disclosed an invention which comprised of a specific set of antigens used in specific proportions and the device built in a unique manner



Case laws

J. Mitra Company Pvt. Ltd. Vs. Span Diagnostics (Contd..)

- ❑ Span Diagnostics copied the HCV Tridot product
- ❑ Span had initially opposed the grant of patent and the patent office in India had rejected the objections and had granted the patent to J. Mitra in 2006
- ❑ After the grant of the patent, J. Mitra filed a case against Span Diagnostic seeking injunction against the manufacture of Signal HCV which was the copied device of Span – Argued that antigens are commonly known and the methodology is nothing but protein sequences



Case laws

J. Mitra Company Pvt. Ltd. Vs. Span Diagnostics (Contd..)

- Vide judgment dated 22.02.2008, Hon'ble Mr. Justice Sanjay Kishan Kaul of the Delhi High Court has held that:
 - ▣ Sufficient documents were filed showing the research conducted by J. Mitra.
 - ▣ The international preliminary examination report issued by the PCT Office does not have a bearing on the validity of the patent. The validity patent has to be examined by the court considering the merits of the case.
 - ▣ That the defendant showed no research or development towards its infringing product

Case laws

J. Mitra Company Pvt. Ltd. Vs. Span Diagnostics (Contd..)

- That the defendant had not been able to show that it had developed the product or had applied for the approval of the product prior to the patent application of J. Mitra.
- That J. Mitra's patent was an invention and none of the earlier U.S. patents relied upon by the defendant Span were identical to J. Mitra's product
- The other products shown by the defendant are different types of tests and not the Rapid fourth generation test device as patented by J. Mitra
- Evaluation of W.H.O. reveals 98.9% specificity and 100% sensitivity of J. Mitra's product

Case laws

J. Mitra Company Pvt. Ltd. Vs. Span Diagnostics (Contd..)


- The only difference between the plaintiffs and defendants device was that J. Mitra's device had three dots and Span's device had two dots
- The life of a patent being limited in nature i.e. in this case only till 2020, it is necessary to protect the patent and restrain Span

Infringement of Copyright



When (Copy)right becomes wrong

Statutory Definition

- ▶ **Copyright Act 1957, s. 51**
 - ▶ Infringement: exercising rights of the copyright owner
 - ▶ Making, distributing, exhibiting and importing infringing copies of the work
- 

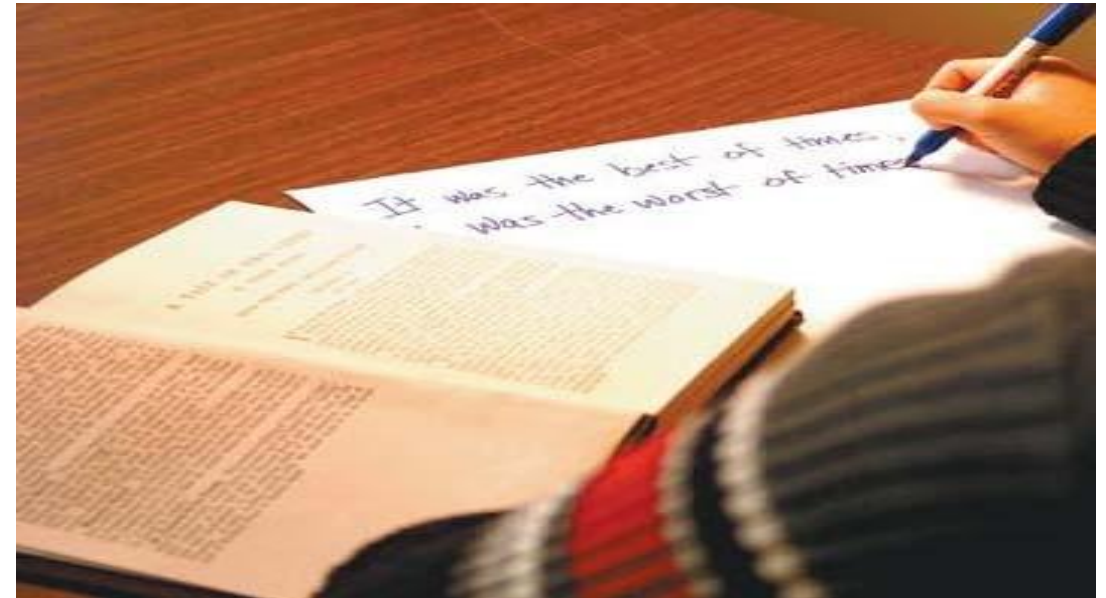
Factors Determining Infringement

Copying

- ❑ Causal Connection
- ❑ Subconscious Copying
- ❑ Indirect Copying

Substantial Taking

- ❑ Unaltered copying
- ❑ Extent of defendant's alteration
- ❑ Character of Plaintiff's and Defendant's works
- ❑ Nature and Extent of Plaintiff's Effort



General Principles

R.C Anand v Delux Films

- (1) **No copyright in an idea**. Violation of copyright confined to form, manner and arrangement, as well as expression of idea by the author
- (2) Where same idea developed in different manner similarities happen. Court to rule on whether similarities are merely substantial or fundamental



General Principles (2)

- (3) Safest Test: Does the reader/spectator/viewer have the opinion/get the ***unshakeable impression*** that the second work is a copy of the original? (**“the viewer test”**)
- (4) Same theme, different presentation → Completely new work, **no infringement**



General Principles (3)

- (5) Where there are only incidental similarities, there is **no** copyright infringement
- (6) Copyright infringement = piracy
it must be **clearly** proven
- (7) Very difficult to prove violation of copyright of stage play by a film producer: the “**viewer test**” is applicable



Remedies for Copyright Infringement

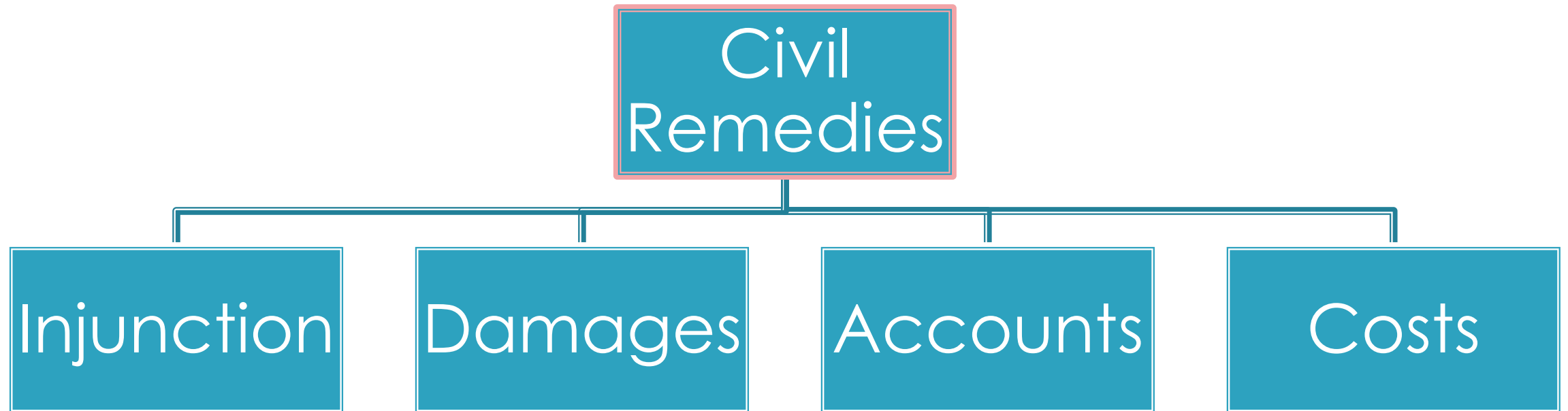


Strengthening Copyright, Enhancing the Reach of the Law

Remedies



Civil Remedies



Civil Remedies (2)

Injunction

- Only effective remedy
- Court has to **weigh the damage** to the plaintiff if the injunction is not granted, as opposed to the damage to the defendant if it is
- Interlocutory injunction is the **preferred method** for preventing infringement, sometimes an *ex parte* injunction



Criminal Remedies



Criminal Remedies

- ▶ **Copyright Act 1957, s.64** empowers the Police (any officer not below the rank of sub-inspector) to seize infringing copies without warrant
- ▶ Police Raids (Power of **search, seizure & arrest** without a warrant)
- ▶ Fines (**min. 50,000-200,000 INR**)
- ▶ Imprisonment (**6 months to 3 years**)



Pros and Cons of Civil Remedies

PROS

- ▶ Judicial determination of rights
- ▶ Likelihood of damages award
- ▶ Less vulnerable to a challenge
- ▶ Commissioner's seizure orders more effective



Pros and Cons of Civil Remedies (2)

CONS

- ▶ Delays – Trial, Appeal Stages
- ▶ Damages not usually awarded
- ▶ No severe punishment for violation of rights



Pros and Cons of Criminal Remedies

PROS


- ▶ Quick remedy
- ▶ Greater opportunity to quickly counteract violation, with arrest acting as a deterrent

CONS


- ▶ Chances of seizure of goods low
- ▶ Difficulty in coordinating with the police



Conclusion

- ▶ Protection for DNA and protein sequences is in the nascent stage globally and in India;
 - ▶ A tilt exists towards patenting;
 - ▶ Copyright may be a viable option but there are problems with establishing priority etc.,
 - ▶ A strong copyright registration mechanism is needed if the biotech industry is to adopting Copyright protection
- 

Conclusion

- ▶ Requires complete overhauling of the Copyright offices
 - ▶ At present most copyrightable works are not registered
 - ▶ Even copyright registrations where the traditional examination and opposition procedures are not followed, take time sometimes even 3 years to get registered
 - ▶ For biotech industry, a vibrant and robust copyright registration regime, is necessary
 - ▶ Priority would be difficult to establish.
- 

Legislative Framework of IP Administration

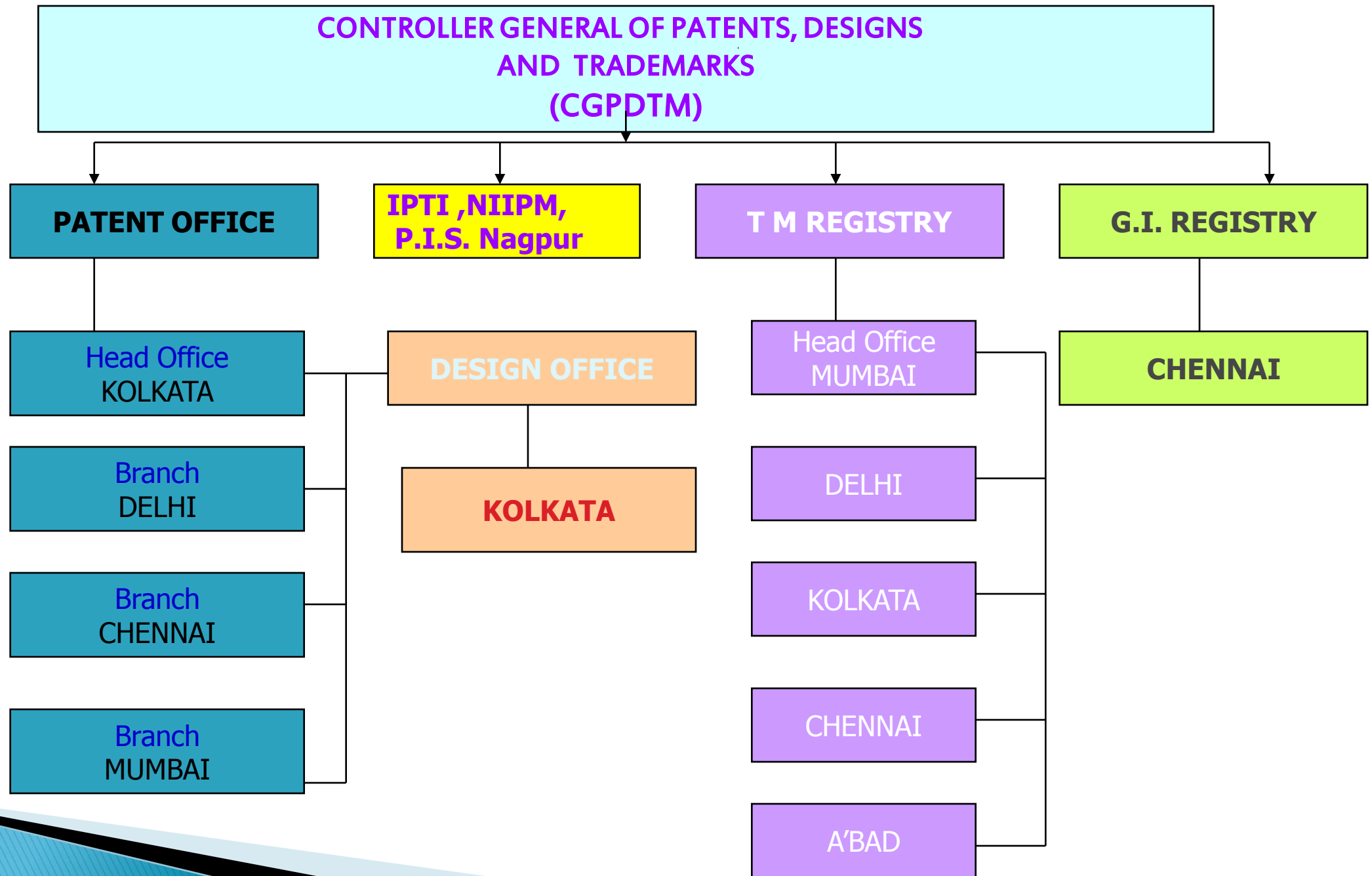
Legislative Framework of IP Administration

Department of IP &P covers

- The Patents Act, 1970 (as amended in 2005)
 - The Patents Rules, 2003 (as amended in 2006)
- The Designs Act, 2000
 - The Designs Rules, 2001 (as amended in 2008)
- The Trade Marks Act 1999
 - The Trade Marks Rules 2002
- The Geographical Indications of Goods (Registration & Protection) Act, 1999
 - The Geographical Indications of Goods (Registration & Protection) Rules, 2002,

Department of Education covers

- The Copyrights Act 1957 (amended in 1999)



Law and Regulations

- ▶ Patents Act, 1970
 - Amended in
 - 1999
 - 2002
 - 2005
- ▶ Patents Rules, 2003
 - Amended in
 - 2005
 - 2006

Legislative Measures –Patents

▶ **From 1.1.1995**

- Mail-Box for pharmaceutical and agrochemicals products
- Exclusive Marketing Rights

▶ **From 1.1.2000**

- Patent term increased to 20 years
- Definition of invention – inclusion of inventive step
- Reversal of burden of proof – on the infringer
- Mandatory compulsory licence provision for food, drugs and chemicals removed
- Right of patentee (importation also included)

▶ **From 1.1.2005**

- Product patents for food, chemical and pharmaceutical

We have met our international commitments

Patent Law – Salient Features

- ▶ Both product and process patent provided
- ▶ Term of patent – 20 years
- ▶ Examination on request
- ▶ Both pre-grant and post-grant opposition
- ▶ Fast track mechanism for disposal of appeals
- ▶ Provision for protection of bio-diversity and traditional knowledge
- ▶ Publication of applications after 18 months with facility for early publication
- ▶ Substantially reduced time-lines

Safeguards in the Patent Law

- ▶ Compulsory license to ensure availability of drugs at reasonable prices
- ▶ Provision to deal with public health emergency
- ▶ Revocation of patent in public interest and also on security considerations

Scope of Patentability Under The Patents Act

What is an Invention?

Sec.2(1)(j)

“Invention” means a new product or process involving an inventive step and capable of industrial application


Patentable subject matter

Invention must

- ◆ relates to a **Process or Product** or both
- ◆ be new (**Novel**)
- ◆ involves an **inventive step**
- ◆ be Capable of **industrial application**
- ◆ not fall under **Section 3 and 4**

“NEW” MEANS

Invention must not be

- Published in India or elsewhere
 - In prior public knowledge or prior public use with in India
 - Claimed before in any specification in India
- 

Inventive step

A **feature of an invention** that

- involves technical advance as compared to the existing knowledge or
- have economic significance or both and
- makes the invention not obvious to a person skilled in the art

Industrial application means

Invention is capable of
being made or used in
any kind of industry

Section 3 exclusions

Section 3(a)

- ▶ Frivolous inventions
- ▶ Inventions contrary to well established natural laws

Examples

- Machine that gives more than 100% performance
 - Perpetual machine
- 

Section 3 exclusions

Section 3(b)

Commercial exploitation or primary use of inventions, which is

- **Contrary to**
 - public order or
 - Morality

Examples

- Gambling machine,
- Device for house-breaking ,

Section 3 exclusions

Section 3(b)

Commercial exploitation or primary use of inventions , which

➤ Causes serious Prejudice to

- health or
- human, animal, plant life or
- to the environment

Examples

- Biological warfare material or device, weapons of mass destruction
- Terminator gene technology,
- Embryonic stem cell

Checks and Balances

Section 3(b)

Excludes patents on

- ▶ GMOs – exploitation of which could be contrary public order or morality or prejudicial to human, animal or plant life or health or to the environment

Effect : Only genetically modified micro-organisms (GMOs) which do not fall under section 3 (b) are patentable.

Section 3 exclusions

Section 3 (c)

- ▶ Mere Discovery of a Scientific Principle or
- ▶ formulation of an Abstract Theory or
- ▶ discovery of any living thing or
- ▶ discovery of non-living substance occurring in nature

Examples

- Newton's Laws
- Superconducting Phenomenon as such
- Property of certain material to withstand mechanical shock
- Discovery of micro-organism
- Discovery of natural gas or a mineral

Checks and Balances

Section 3(c)

Excludes patents on

▶ Naturally occurring Micro-organisms

Effect

Genetically modified microorganisms (GMOs) are however, patentable.

Section 3 exclusions

Section 3 (d)

- The mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance

Section 3 exclusions

Section 3 (d) Explanation

For the purposes of this clause,

- ▶ salts, esters, ethers, polymorphs,
- ▶ metabolites, pure form, particle size,
- ▶ isomers, mixture of isomers,
- ▶ complexes, combinations and other derivatives of known substances

*shall be considered to be the same substance, unless they differ significantly in properties with regard to **efficacy**.*

Examples

- Crystalline forms of known substance

Checks and Balances

Section 3 (d) Explanation

Effect

Salts, esters, ethers, polymorphs, metabolite, pure forms, particle size, isomers, complexes, combinations and derivatives of a known substance with enhanced efficacy are patentable

Section 3 exclusions

Section 3 (d)

- Mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus, *unless such known process results in a new product or employs at least one new reactant.*

Examples

- New use of Aspirin for heart ailments,
- Mere new uses of Neem

Section 3 exclusions

Section 3(e)

Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance

Examples

- Combiflam [Paracetamol (Antipyretic) + Brufen (analgesic)]
- Solution of sugar and color additives in water to form a soft drink

However,

A mixture resulting into synergistic properties of mixture of ingredients however, may be patentable – Soap, Detergents, lubricants etc

Checks and Balances

Section 3 (e)

Effect

- Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or
 - a process for producing such substance
- are not patentable**

However

Synergistic formulations are patentable



Section 3 exclusions

Section 3 (f)

Mere arrangement or re-arrangement or duplication of known devices, each functioning independently of one another in a known way

Examples

- A Bucket fitted with torch,
- An Umbrella with fan
- A Clock and radio in a single cabinet
- A flour-mill provided with sieving

Section 3 exclusions

Section 3(h)

Method of Agriculture or Horticulture

Examples

- Cultivation of algae ,
- Producing new form of a known plant,
- Preparation of an improved soil

However,

Agricultural Equipments are patentable

Section 3 exclusions

Section 3(i)

Any process for medicinal, surgical, curative, prophylactic, diagnostic, therapeutic or other treatment of human beings *or* a similar treatment of animals to render them free of disease *or* to increase their economic value or that of their products

Examples

- Removal of cancer tumor
- Removal of dental plaque and carries
- Surgical processes
- Processes relating to therapy
- Method of vaccination,
- Blood transfusion

However,

- Treatment performed on tissues or fluids permanently removed from the body
- Surgical, therapeutic or diagnostic Apparatus or instruments
are patentable

Section 3 exclusions

Section 3(j)

Plants & animals in **whole or any part thereof** other than micro-organisms, but including seeds, varieties and species and essentially biological process for production or propagation of plants & animals

Section 3 exclusions

Section 3(j)

- ▶ Plants & animals in whole
- ▶ Parts of plants & animals
- ▶ Seeds
- ▶ Varieties & species
- ▶ Essentially biological processes for propagation or production of the animals & plants

Checks and Balances

Section 3(j)

Excludes patents on

- ▶ Plants and animals in whole or any parts thereof, including seeds, varieties and species and essentially biological processes for production or propagation of plants and animals

Examples

- Clones and new varieties of plants
 - A process for production of plants or animals if it consists entirely of natural phenomena such as crossing or selection
 - Essentially biological Process
- 

Section 3 exclusions

Section 3(k)

- * mathematical method or
- * business method or
- * algorithms or
- * computer programme *per se*

Examples

- *Computer program by itself or as a record on a carrier*

However

- New calculating machine
 - combination of hardware and software
- is patentable

Section 3 exclusions

Section 3(l)

A literary, dramatic, musical or artistic work or any other aesthetic creation including cinematographic work and television productions

These subject-matters fall under the copyright protection

Section 3 exclusions

Section 3(m)

A mere scheme or rule or method of performing mental act or method of playing game

Examples

- ▶ Scheme for learning a language
- ▶ Method for solving a crossword puzzle,
- ▶ Method of learning a language
- ▶ Method of teaching /learning

However,

- ▶ Novel apparatus for playing game or carrying out a scheme *is patentable*

Section 3 exclusions

Section 3 (n)

Presentation of information

Examples

- Any manner or method of expressing information whether by
 - *spoken words*
 - *Visual display*
 - *symbols*
 - *diagrams*
- Information recorded on a carrier

Section 3 exclusions

Section 3 (o)

Topography of integrated circuits.

Examples

Mask works - circuits layout



Section 3 exclusions

Section 3 (p)

Inventions which are

Traditional Knowledge or an aggregation or duplication of known properties of traditionally known component or components

Examples

Traditional Knowledge already in public domain

– Wound healing property of Haldi

However,

Any value-addition using Traditional Knowledge leading to a new process or product ,which is novel with inventive step and industrial applicability,

■ Extraction of Azadirachtin from Neem
can be *patented*

Non Patentable inventions

Section 4

Inventions falling within Section 20(1) of the Atomic Energy Act, 1962 are not patentable

Effect


Inventions relating to compounds of Uranium, Beryllium, Thorium, Plutonium, Radium, Graphite, Lithium and more as notified by Central Govt. from time to time.

Stages from filing to grant of a patent


Obtaining a patent

- ▶ File an application for patent
 - With one of the patent offices based on territorial jurisdiction of the place of office or residence of the applicant /agent
 - Pay the required fee
- ▶ Information concerning application form and details of fee available at www.ipindia.nic.in
- ▶ Guidelines for applicants also available on this website


Formality Check

- ▶ An Examiner checks the formal requirements before accepting the application and the fee – this is done immediately
 - ▶ Issue of application number and the cash receipt – this is done the same day
 - ▶ In case of receipt of application by post, cash receipt, application number is sent by post within 2–3 days
- 


Publication

- ▶ Application is kept secret for a period of 18 months from the date of filing
 - ▶ In 19th month, the application is published in the official journal – this journal is made available on the website weekly
 - ▶ Applicant has an option to get his application published before 18 months also
 - ▶ In that case, application is published within one month of the request
- 


Request for Examination

- ▶ Application is examined on request
 - ▶ Request for examination can be made either by the applicant or by a third party
 - ▶ A period of 48 months, from the date of filing, is available for making request for examination
- 

Examination

- ▶ Application is sent to an Examiner within 1 month from the date of request for examination
 - ▶ Examiner undertakes examination w.r.t.
 - whether the claimed invention is not prohibited for grant of patent
 - whether the invention meets the criteria of patentability
- 


Issue of FER

- ▶ A period of 1 to 3 months is available to Examiner to submit the report to the Controller
 - ▶ 1 month's time available to Controller to vet the Examiner's report
 - ▶ First Examination Report (FER) containing gist of the objections is issued within 6 months from the date of filing of request
- 

Response from the Applicant

- ▶ 12 months' time, from the date of issue of FER, is available to the applicant to meet the objections
- ▶ If objections are met, grant of patent is approved by the Controller – within a period of 1 month

Pre-grant Opposition

- ▶ After publication, an opposition can be filed within a period of 6 months
 - ▶ Opportunity of hearing the opponent is also available
- 

Examination of Pre-grant Opposition

- ▶ Opposition (documents) is sent to the applicant
- ▶ A period of 3 months is allowed for receipt of response

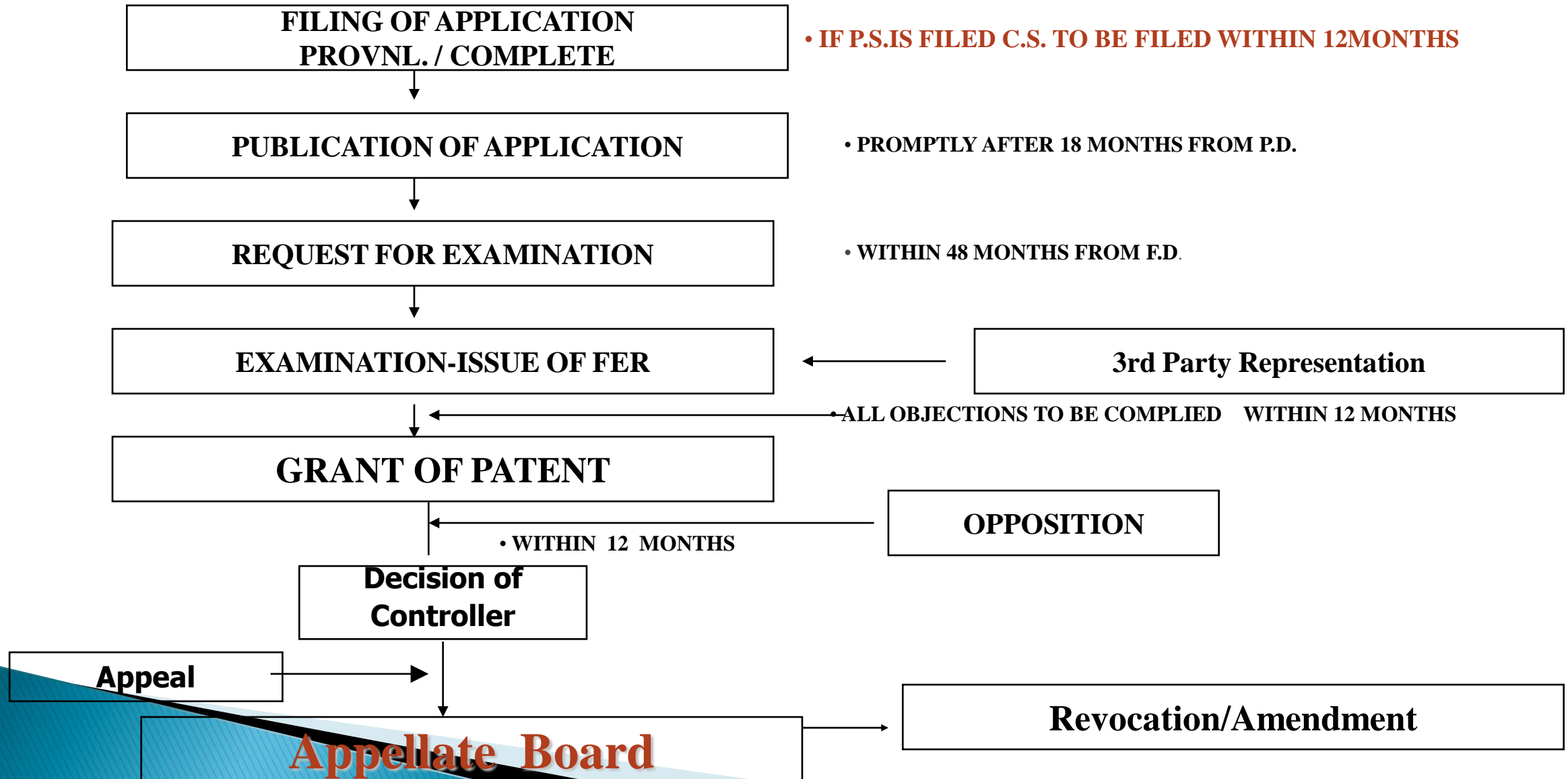
Consideration of Pre-grant Opposition

- ▶ After examining the opposition and the submissions made during the hearing, Controller may
 - Either reject the opposition and grant the patent
 - Or accept the opposition and modify/reject the patent application
- ▶ This is to be done within a period of 1 month from the date of completion of opposition proceedings


Grant of a Patent

- ▶ A certificate of patent is issued within 7 days
- ▶ Grant of patent is published in the official journal

STAGES – FILING TO GRANT OF PATENT



Renewal Fee

- ▶ To be paid within 3+6 months from date of recording in the register [sec 142 (4)]
 - ▶ No fee for 1st and 2nd year
 - ▶ Renewal fee, on yearly basis, is required to be paid for 3rd to 20th for keeping the patent in force
 - ▶ Delay upto six months from due date permissible on payment of fee for extension of time
 - ▶ Patent lapses if renewal fee is not paid within the prescribed period
- 

TRADE SECRETS LAW

What are trade secrets?

A trade secret is a formula, practice, process, design, legal instrument, pattern or compilation of information which is not generally known or reasonable ascertainable, by which a business can obtain an economic advantage over competitors or customers. In some jurisdictions, such secrets are referred to as "confidential information" or "classified information".



The term is very broad



Trade secrets may include:

- ▶ sales methods
- ▶ distribution methods
- ▶ consumer profiles
- ▶ advertising strategies
- ▶ lists of suppliers and clients
- ▶ manufacturing processes

Interesting Info...

One of the most famous examples of a trade secret is the formula for Coca-Cola. The formula, also referred to by the code name "**Merchandise 7X**" is known to only by two employees at any particular instance and kept in the vault of a bank in Atlanta, Georgia. The individuals who know the secret formula have signed non-disclosure agreements, and it is rumored that they are not allowed to travel together. In the past, you could not buy Coca-Cola in India because Indian law required that trade-secret information be disclosed. In 1991, India changed its laws regarding trademarks, and Coca-Cola can now be sold in that country.



For trade secrecy status, it must fulfill the following:

1. Not generally Known to the public



2. Economic benefit




3. Reasonable Effort on Owners part to maintain secrecy




Determinants of Trade Secrets

An exact definition of a trade secret is not possible. Some factors to be considered in determining whether given information is one's trade secret are:

- ▶ The extent to which the information is known outside of one's business;
 - ▶ The extent to which it is known by employees and others involved in one's business;
 - ▶ The extent of measures taken by one to guard the secrecy of the information;
 - ▶ The value of the information to one and one's competitors; the amount of effort or money expended in developing the information;
 - ▶ The ease or difficulty with which the information could be properly acquired or duplicated by others.
- 

PROTECTING A TRADE SECRET

Some of the ways to protect a trade secret are as follows:


- ▶ Restrict access to the information (lock it away in a secure place, such as a bank vault).
 - ▶ Limit the number of people who know the information.
 - ▶ Have the people who know the trade secret agree in writing not to disclose the information (sign non-disclosure agreements).
 - ▶ Have anyone that comes in contact with the trade secret, directly or indirectly, sign non-disclosure agreements.
 - ▶ Mark any written material pertaining to the trade secret as proprietary.
- 

Difference Between T.S and Patent

A patent is the exclusive right (or monopoly) given by the Government to the owner of an invention, in return for the sharing of his knowledge and experiences in the making of the invention.

Only inventions can be patented.

The temporary monopoly on the subject matter of the patent is regarded as a quid pro quo for thus disclosing the information to the public.




There is an Exception to every rule...

Discoveries, scientific theories, mathematical methods and schemes, rules or methods for doing business, performing purely mental acts or playing games are among the inventions which are non-patentable under the Malaysian Patents Act.



Reasons to Opt for a T.S over a Patent

- ▶ If the invention is not likely to go out of date for a long time, it may be better to protect it as a trade secret rather than limit your advantage to 20 years.
 - ▶ If the invention is not patentable
 - ▶ If you cannot afford the cost of obtaining Patent status
- 

Benefits of Trade Secrets



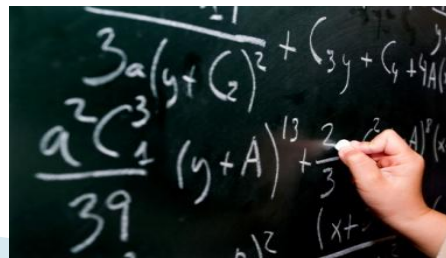
- ▶ Perpetual Protection: Not limited by time

- ▶ Involve no registration costs:

The owner evades the expensive patent application process

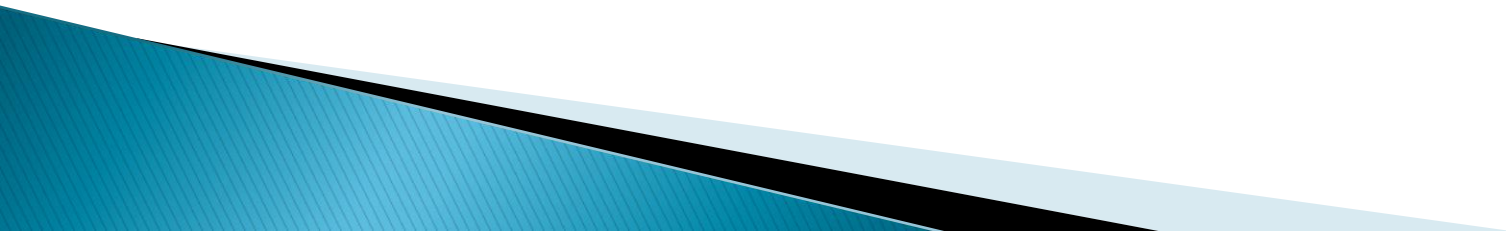


- ▶ A trade secret is not publicly disclosed like a patent, therefore the inventor may make improvements to their invention without competition from other businesses.
 - ▶ Take immediate effect
 - ▶ Do not require complex formalities such as disclosure to a Government Authority



Trade Secret Misappropriation

This occurs where someone acquires, uses and/or discloses your trade secrets without your permission and in an improper manner



In order for you to claim for misappropriation of your Trade Secret....

- 1 – Existence. The trade secret must be proven to exist. The courts will make this determination with a consideration of the six factors of a trade secret as set forth in Section 757 of the First Restatement of Tort.
- 2 – Ownership. It must be proven that the plaintiff had ownership rights to the trade secret information.



In order for you to claim for misappropriation of your Trade Secret....

3 – Access. It must be proven that the defendant had access to the trade secret information.




4 – Notice. It must be proven that the defendant knew or should have known that the information was a trade secret of the plaintiff.



In order for you to claim for misappropriation of your Trade Secret....

5 – Use. It must be proven that the trade secret information was actually used by the defendant.

6 – Damages. It must be proved that a remedy exists within the power of the court to apply.



Real Life Case...

I worked for a Bakery Company for a numbers of years after which I decided to open up my own Bakery Factory (selling ingredients) which I used the former company's formula. The company found out that I have been using their formulas and selling the products in the market and decided to take action against my company and the directors. There are three directors, two of my friends (sleeping partners) and myself (actively involved in the operation of the business).

The court awarded the injunction to prevent my company from continuing the operation of the business and filed a winding up notice against my company. The Bakery company also sued me (as the director of the company) for damages. The Court demanded a settlement sum of RM56K plus legal charges of RM30K from me. (not from the company and the two other directors).

This case has been dragged on for almost 9 years. I have not agreed with the settlement sum and requested for out-of court settlement with lesser sum but was rejected by the defendant.




Coca Cola Vs. Williams, Dimson, Duhaney

A federal grand jury indicted three people on Tuesday July 11, 2006 on a misappropriation of trade secrets conspiracy charge alleging they tried to sell Coca-Cola trade secrets to Pepsi and were willing to give the information to the “highest bidder,” as new details emerged about the scheme and the suspects.

The alleged plans were foiled after Pepsi, based in Purchase, N.Y., warned Coca-Cola.

Former Coca-Cola administrative assistant Joya Williams and ex-cons Ibrahim Dimson and Edmund Duhaney pleaded not guilty at their arraignment.

The three were arrested on a criminal complaint that included charges of wire fraud and unlawfully stealing and selling Coke trade secrets. The indictment for a single count of conspiracy sets the case on course for trial.



When is trade secret status lost?

- ▶ Negligent Disclosure
- ▶ Reverse Engineering
 - ▶ Patenting

Injunctive Relief

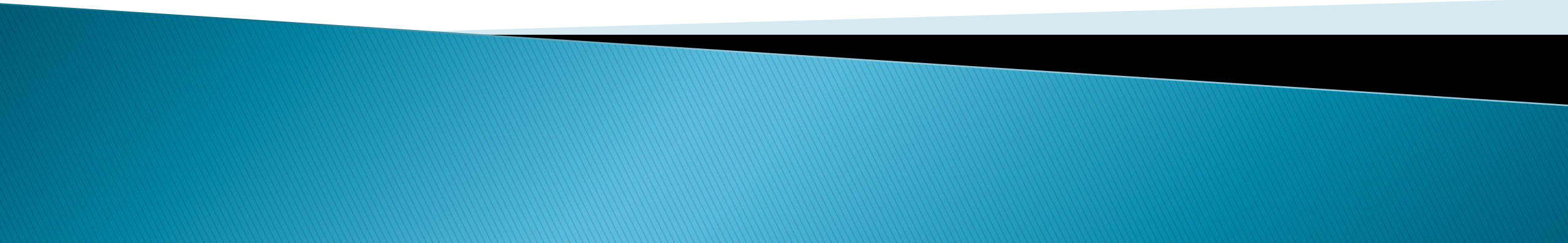
- ▶ Even if your trade secret status is lost unwillingly, the court may grant you injunctive relief
- ▶ This means that although a third party may have access to your trade secrets, they cannot use the information for a given amount of time

References

- ▶ Intellectual Property of Malaysia, 2005. [Online] Patent Information > General Info. Retrieved on 12th October 2008 from:
http://www.mipc.gov.my/index.php?option=com_content&task=view&id=2&Itemid=9
- ▶ Microsoft ® Encarta ® 2006. © 1993–2005 Microsoft Corporation. All rights reserved.
- ▶ The Business Guide to Malaysia : Siew Cheang Loh, Loh Siew Cheang

THE END

Legislative Framework of IP Administration



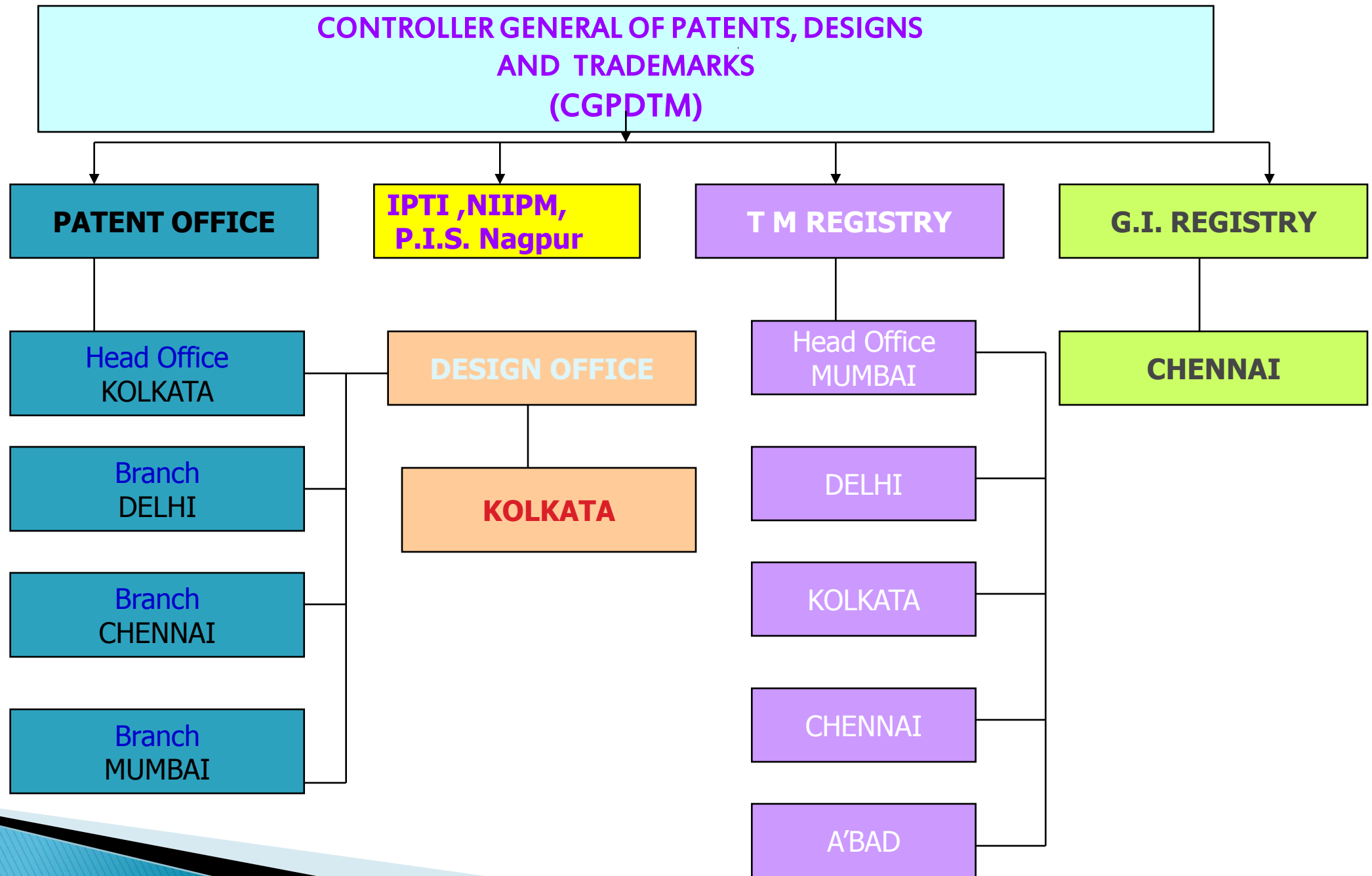
Legislative Framework of IP Administration

Department of IP &P covers

- The Patents Act, 1970 (as amended in 2005)
 - The Patents Rules, 2003 (as amended in 2006)
- The Designs Act, 2000
 - The Designs Rules, 2001 (as amended in 2008)
- The Trade Marks Act 1999
 - The Trade Marks Rules 2002
- The Geographical Indications of Goods (Registration & Protection) Act, 1999
 - The Geographical Indications of Goods (Registration & Protection) Rules, 2002,

Department of Education covers

- The Copyrights Act 1957 (amended in 1999)



Law and Regulations

- ▶ Patents Act, 1970
 - Amended in
 - 1999
 - 2002
 - 2005
- ▶ Patents Rules, 2003
 - Amended in
 - 2005
 - 2006

Legislative Measures –Patents

▶ **From 1.1.1995**

- Mail-Box for pharmaceutical and agrochemicals products
- Exclusive Marketing Rights

▶ **From 1.1.2000**

- Patent term increased to 20 years
- Definition of invention – inclusion of inventive step
- Reversal of burden of proof – on the infringer
- Mandatory compulsory licence provision for food, drugs and chemicals removed
- Right of patentee (importation also included)

▶ **From 1.1.2005**

- Product patents for food, chemical and pharmaceutical

We have met our international commitments



Patent Law – Salient Features

- ▶ Both product and process patent provided
- ▶ Term of patent – 20 years
- ▶ Examination on request
- ▶ Both pre-grant and post-grant opposition
- ▶ Fast track mechanism for disposal of appeals
- ▶ Provision for protection of bio-diversity and traditional knowledge
- ▶ Publication of applications after 18 months with facility for early publication
- ▶ Substantially reduced time-lines

Safeguards in the Patent Law

- ▶ Compulsory license to ensure availability of drugs at reasonable prices
- ▶ Provision to deal with public health emergency
- ▶ Revocation of patent in public interest and also on security considerations

Scope of Patentability Under The Patents Act

What is an Invention?

Sec.2(1)(j)

“Invention” means a new product or process involving an inventive step and capable of industrial application


Patentable subject matter

Invention must

- ◆ relates to a **Process or Product** or both
- ◆ be new (**Novel**)
- ◆ involves an **inventive step**
- ◆ be Capable of **industrial application**
- ◆ not fall under **Section 3 and 4**

“NEW” MEANS

Invention must not be

- Published in India or elsewhere
 - In prior public knowledge or prior public use with in India
 - Claimed before in any specification in India
- 

Inventive step

A **feature of an invention** that

- involves technical advance as compared to the existing knowledge or
- have economic significance or both and
- makes the invention not obvious to a person skilled in the art

Industrial application means

Invention is capable of
being made or used in
any kind of industry

Section 3 exclusions

Section 3(a)

- ▶ Frivolous inventions
- ▶ Inventions contrary to well established natural laws

Examples

- Machine that gives more than 100% performance
 - Perpetual machine
- 

Section 3 exclusions

Section 3(b)

Commercial exploitation or primary use of inventions, which is

- **Contrary to**
 - public order or
 - Morality

Examples

- Gambling machine,
- Device for house-breaking ,

Section 3 exclusions

Section 3(b)

Commercial exploitation or primary use of inventions , which

➤ Causes serious Prejudice to

- health or
- human, animal, plant life or
- to the environment

Examples

- Biological warfare material or device, weapons of mass destruction
- Terminator gene technology,
- Embryonic stem cell

Checks and Balances

Section 3(b)

Excludes patents on

- ▶ GMOs – exploitation of which could be contrary public order or morality or prejudicial to human, animal or plant life or health or to the environment

Effect : Only genetically modified micro-organisms (GMOs) which do not fall under section 3 (b) are patentable.

Section 3 exclusions

Section 3 (c)

- ▶ Mere Discovery of a Scientific Principle or
- ▶ formulation of an Abstract Theory or
- ▶ discovery of any living thing or
- ▶ discovery of non-living substance occurring in nature

Examples

- Newton's Laws
- Superconducting Phenomenon as such
- Property of certain material to withstand mechanical shock
- Discovery of micro-organism
- Discovery of natural gas or a mineral

Checks and Balances

Section 3(c)

Excludes patents on

▶ Naturally occurring Micro-organisms

Effect

Genetically modified microorganisms (GMOs) are however, patentable.

Section 3 exclusions

Section 3 (d)

- The mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance

Section 3 exclusions

Section 3 (d) Explanation

For the purposes of this clause,

- ▶ salts, esters, ethers, polymorphs,
- ▶ metabolites, pure form, particle size,
- ▶ isomers, mixture of isomers,
- ▶ complexes, combinations and other derivatives of known substances

*shall be considered to be the same substance, unless they differ significantly in properties with regard to **efficacy**.*

Examples

- Crystalline forms of known substance

Checks and Balances

Section 3 (d) Explanation

Effect

Salts, esters, ethers, polymorphs, metabolite, pure forms, particle size, isomers, complexes, combinations and derivatives of a known substance with enhanced efficacy are patentable

Section 3 exclusions

Section 3 (d)

- Mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus, *unless such known process results in a new product or employs at least one new reactant.*

Examples

- New use of Aspirin for heart ailments,
- Mere new uses of Neem

Section 3 exclusions

Section 3(e)

Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance

Examples

- Combiflam [Paracetamol (Antipyretic) + Brufen (analgesic)]
- Solution of sugar and color additives in water to form a soft drink

However,

A mixture resulting into synergistic properties of mixture of ingredients however, may be patentable – Soap, Detergents, lubricants etc

Checks and Balances

Section 3 (e)

Effect

- Substance obtained by mere admixture resulting only in the aggregation of the properties of the components thereof or
 - a process for producing such substance
- are not patentable**

However

Synergistic formulations are patentable



Section 3 exclusions

Section 3 (f)

Mere arrangement or re-arrangement or duplication of known devices, each functioning independently of one another in a known way

Examples

- A Bucket fitted with torch,
- An Umbrella with fan
- A Clock and radio in a single cabinet
- A flour-mill provided with sieving

Section 3 exclusions

Section 3(h)

Method of Agriculture or Horticulture

Examples

- Cultivation of algae ,
- Producing new form of a known plant,
- Preparation of an improved soil

However,

Agricultural Equipments are patentable

Section 3 exclusions

Section 3(i)

Any process for medicinal, surgical, curative, prophylactic, diagnostic, therapeutic or other treatment of human beings *or* a similar treatment of animals to render them free of disease *or* to increase their economic value or that of their products

Examples

- Removal of cancer tumor
- Removal of dental plaque and carries
- Surgical processes
- Processes relating to therapy
- Method of vaccination,
- Blood transfusion

However,

- Treatment performed on tissues or fluids permanently removed from the body
- Surgical, therapeutic or diagnostic Apparatus or instruments
are patentable

Section3 exclusions

Section 3(j)

Plants & animals in **whole or any part thereof** other than micro- organisms, but including seeds, varieties and species and essentially biological process for production or propagation of plants & animals

Section 3 exclusions

Section 3(j)

- ▶ Plants & animals in whole
- ▶ Parts of plants & animals
- ▶ Seeds
- ▶ Varieties & species
- ▶ Essentially biological processes for propagation or production of the animals & plants

Checks and Balances

Section 3(j)

Excludes patents on

- ▶ Plants and animals in whole or any parts thereof, including seeds, varieties and species and essentially biological processes for production or propagation of plants and animals

Examples

- Clones and new varieties of plants
- A process for production of plants or animals if it consists entirely of natural phenomena such as crossing or selection
- Essentially biological Process

Section 3 exclusions

Section 3(k)

- * mathematical method or
- * business method or
- * algorithms or
- * computer programme *per se*

Examples

- *Computer program by itself or as a record on a carrier*

However

- New calculating machine
 - combination of hardware and software
- is patentable

Section 3 exclusions

Section 3(l)

A literary, dramatic, musical or artistic work or any other aesthetic creation including cinematographic work and television productions

These subject-matters fall under the copyright protection

Section 3 exclusions

Section 3(m)

A mere scheme or rule or method of performing mental act or method of playing game

Examples

- ▶ Scheme for learning a language
- ▶ Method for solving a crossword puzzle,
- ▶ Method of learning a language
- ▶ Method of teaching /learning

However,

- ▶ Novel apparatus for playing game or carrying out a scheme *is patentable*

Section 3 exclusions

Section 3 (n)

Presentation of information

Examples

- Any manner or method of expressing information whether by
 - *spoken words*
 - *Visual display*
 - *symbols*
 - *diagrams*
- Information recorded on a carrier

Section 3 exclusions

Section 3 (o)

Topography of integrated circuits.

Examples

Mask works - circuits layout



Section 3 exclusions

Section 3 (p)

Inventions which are

Traditional Knowledge or an aggregation or duplication of known properties of traditionally known component or components

Examples

Traditional Knowledge already in public domain

– Wound healing property of Haldi

However,

Any value-addition using Traditional Knowledge leading to a new process or product ,which is novel with inventive step and industrial applicability,

■ Extraction of Azadirachtin from Neem
can be *patented*

Non Patentable inventions

Section 4

Inventions falling within Section 20(1) of the Atomic Energy Act, 1962 are not patentable

Effect


Inventions relating to compounds of Uranium, Beryllium, Thorium, Plutonium, Radium, Graphite, Lithium and more as notified by Central Govt. from time to time.

Stages from filing to grant of a patent


Obtaining a patent

- ▶ File an application for patent
 - With one of the patent offices based on territorial jurisdiction of the place of office or residence of the applicant /agent
 - Pay the required fee
- ▶ Information concerning application form and details of fee available at www.ipindia.nic.in
- ▶ Guidelines for applicants also available on this website


Formality Check

- ▶ An Examiner checks the formal requirements before accepting the application and the fee – this is done immediately
 - ▶ Issue of application number and the cash receipt – this is done the same day
 - ▶ In case of receipt of application by post, cash receipt, application number is sent by post within 2–3 days
- 


Publication

- ▶ Application is kept secret for a period of 18 months from the date of filing
 - ▶ In 19th month, the application is published in the official journal – this journal is made available on the website weekly
 - ▶ Applicant has an option to get his application published before 18 months also
 - ▶ In that case, application is published within one month of the request
- 


Request for Examination

- ▶ Application is examined on request
 - ▶ Request for examination can be made either by the applicant or by a third party
 - ▶ A period of 48 months, from the date of filing, is available for making request for examination
- 


Examination

- ▶ Application is sent to an Examiner within 1 month from the date of request for examination
 - ▶ Examiner undertakes examination w.r.t.
 - whether the claimed invention is not prohibited for grant of patent
 - whether the invention meets the criteria of patentability
- 


Issue of FER

- ▶ A period of 1 to 3 months is available to Examiner to submit the report to the Controller
 - ▶ 1 month's time available to Controller to vet the Examiner's report
 - ▶ First Examination Report (FER) containing gist of the objections is issued within 6 months from the date of filing of request
- 

Response from the Applicant

- ▶ 12 months' time, from the date of issue of FER, is available to the applicant to meet the objections
 - ▶ If objections are met, grant of patent is approved by the Controller – within a period of 1 month
- 

Pre-grant Opposition

- ▶ After publication, an opposition can be filed within a period of 6 months
 - ▶ Opportunity of hearing the opponent is also available
- 

Examination of Pre-grant Opposition

- ▶ Opposition (documents) is sent to the applicant
- ▶ A period of 3 months is allowed for receipt of response

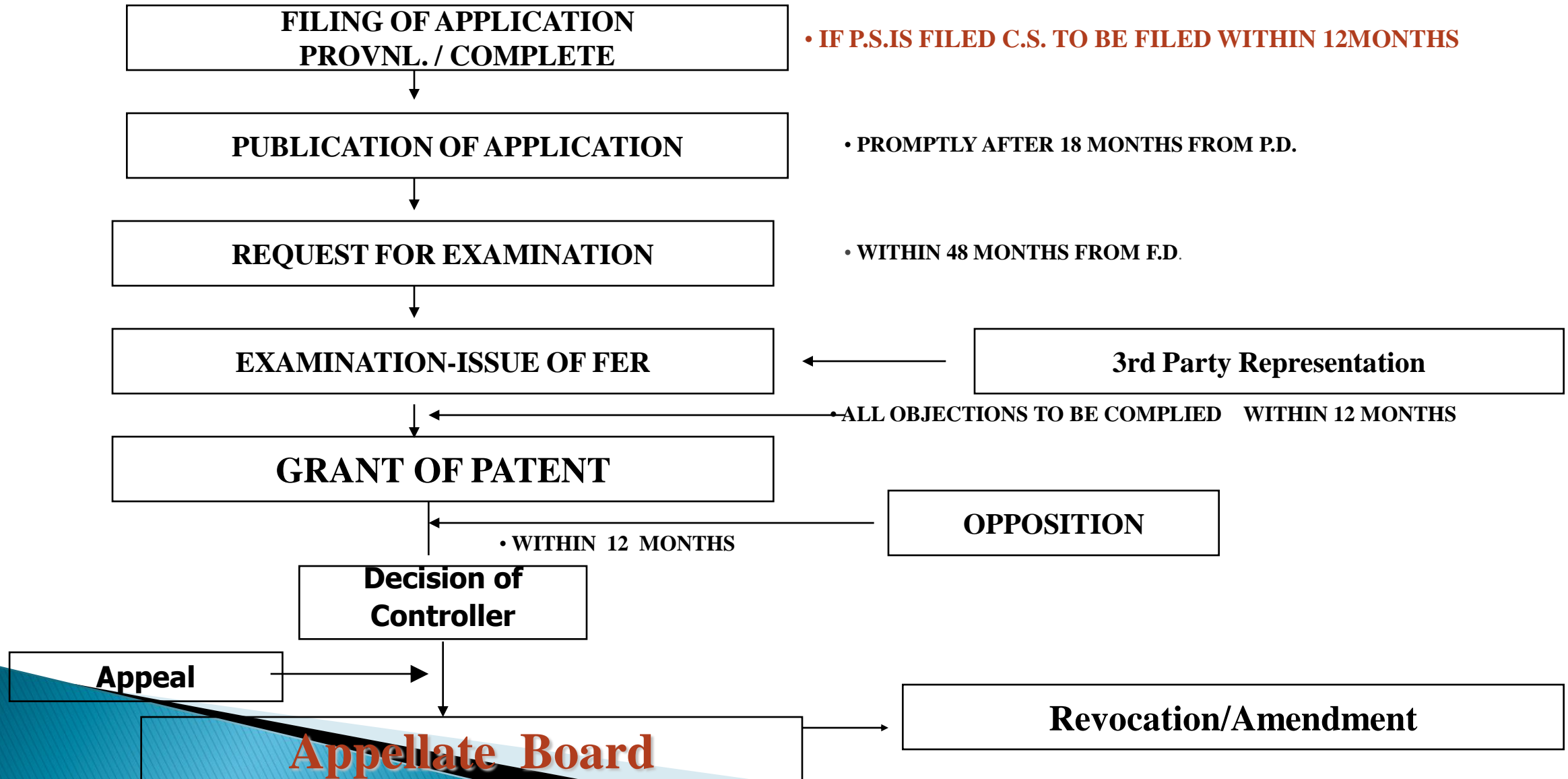
Consideration of Pre-grant Opposition

- ▶ After examining the opposition and the submissions made during the hearing, Controller may
 - Either reject the opposition and grant the patent
 - Or accept the opposition and modify/reject the patent application
- ▶ This is to be done within a period of 1 month from the date of completion of opposition proceedings


Grant of a Patent

- ▶ A certificate of patent is issued within 7 days
- ▶ Grant of patent is published in the official journal


STAGES – FILING TO GRANT OF PATENT



Renewal Fee

- ▶ To be paid within 3+6 months from date of recording in the register [sec 142 (4)]
 - ▶ No fee for 1st and 2nd year
 - ▶ Renewal fee, on yearly basis, is required to be paid for 3rd to 20th for keeping the patent in force
 - ▶ Delay upto six months from due date permissible on payment of fee for extension of time
 - ▶ Patent lapses if renewal fee is not paid within the prescribed period
- 

What is Branding

- Branding allows a company to differentiate its products and services from the competition by creating a bond with its customers in order to create customer loyalty. This way, a company can have a position in the marketplace that is much more difficult for the competition to poach. A satisfied customer may leave. But a loyal customer is more likely to stay.
- 

Concept of Branding

- ▶ A **company image** as seen by the customer
- ▶ Good branding = getting people to **recognize you first**
- ▶ Having an effective **logo** with which customers can identify you
- ▶ A brand is what **differentiates** you from your competitors
- ▶ Good **advertising** and how it attracts customers
- ▶ A compelling customer experience

Branding is sending a message

Think of it this way:

Marketing is a conversation. The **brand** name initiates the conversation which will develop multiple concepts and criteria, namely:

Vision, mission, message, service, package, image, differentiation, understanding the customer, advertising, logo, name recognition, customer service, internal training, team work, investment

Branding matters

“Consumers are starved for time and overwhelmed by the choices available to them. They want strong **brands** that simplify their decision making and reduce their risks.”

Kevin Lane Keller, Tuck School of Business

Purpose of Branding

- ▶ Gives a business a significant edge over the competition
- ▶ Have the customer view a business as the only solution to their problem
- ▶ A strong brand engenders feelings of trust, reliability, loyalty, empathy, responsiveness and recognition in the customer's mind

Choose the right format

There are several ways the publishing industry can exploit the online publishing market and it's important that publishers choose the path that will suit them best.

Daily newspapers may rely on a website and downloadable news service that allows readers to find out more, access archives and post comments.

Magazine publishers, on the other hand, may find that their subscribers want to see an online magazine version – using a page–turning, searchable format that they can browse at their convenience.

Book publishers can give readers a taste of new releases by putting the first chapter online, in the same, page–turnable form – already available on Amazon. **Podcasts** may allow publishers to give their readers access to an audio trailer for the written publication, highlighting columnists, features and special offers, directing the listener to the website or webmag for more details.

Careful market and technology research is needed to ensure that publishers are choosing the best option for their core publications.

Content is king

In the end, it doesn't just matter how people choose to access your content; it matters that your content is worth accessing.

If you publish good material, people will read it.

Newspapers, journals and magazines will still need to employ journalists whose writing is of a high standard.

They will still need to have access to photographers who can produce images that make us stop and think, or want to know more.

They will need designers who can make the content accessible through a variety of formats. The better your content and the more available it is, the more readers you will attract.



The Nike's case

- ▶ Reflects the popularity of a well-known TM
- ▶ The “Swoosh” is the well known symbol of Nike
- ▶ Originally Nike's logo included also the shoemaker's name
- ▶ At the end of the nineties, the Nike's name disappeared
- ▶ The swoosh remained as the main identification symbol of the shoemaker
- ▶ Today there is no need to include the brand into this logo since the recognition of a simple swoosh automatically brings our attention to Nike

The “Swoosh”



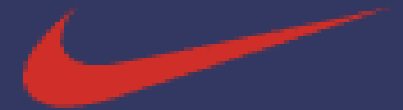
1971



1978




1985




Solo Swoosh

Purpose of Branding

- ▶ Gives a business/enterprise a significant edge over the competition
 - ▶ Makes the customer view a business/enterprise as the only solution to their need or problem
 - ▶ A strong brand engenders feelings of trust, reliability, loyalty and recognition in the customer's mind.
 - ▶ Through its brand image an enterprise will attract and retain customer loyalty for its goods and services and increase the value of its business
- 

Successful Branding

- ▶ Developing a brand part and parcel of every strategic business plan
 - ▶ Target what customers care about: articulate precise values and qualities that are relevant and of direct interest
 - ▶ Emphasize features that are both important to consumer and quite differentiated from competitors
 - ▶ Sell the brand outside and inside: Motivate employees to identify with brand
 - ▶ Keep brand flexible
 - ▶ Communicate the brand image at all levels of operation
 - ▶ Intellectual Property Rights such as trademarks and industrial designs important tools for branding
- 

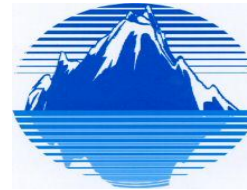
Trademarks

What is a Trademark?

- ▶ **“A sign capable of distinguishing the goods or services produced or provided by one enterprise from those of other enterprises”**
- 

Any Distinctive Words, Letters, Numerals, Pictures, Shapes,
Colors, Logotypes, Labels

► Examples:



Less Traditional Forms

- ▶ Single colors
- ▶ Three-dimensional signs (shapes of products or packaging)
- ▶ Audible signs (sounds)
- ▶ Olfactory signs (smells)
- ▶ Moving or Fluid Marks

TRADE MARKS

A trade mark is essentially a way of differentiating the products of one business from those of another. It helps to identify the source of goods and services and can become a unique sign or symbol which is instantly recognisable.

A trade mark can be:

words: **Mars**

shapes:



slogans: *"I'm lovin' it"*

smells:



Darts smelling of beer
Unicorn Products Ltd

colours:



Camping Gaz

logos: 
Shell

letters: **BT** 

jingles: *Air on a G-string*
Hamlet Cigars

numbers:



sounds:

A dog barking
- Dulux



forms of packaging:



personal names: *Cadbury's*

Types of Trademarks

- ▶ Trade marks: to distinguish goods
- ▶ Service marks: to distinguish services
- ▶ Collective marks: to distinguish goods or services by members of an association
- ▶ Certification marks
- ▶ Well-known marks: benefit from stronger protection
- ▶ Tradename vs Trademark

The Function of a Trademark

- ▶ Allows companies to differentiate their products
- ▶ Ensures consumers can distinguish between products and ultimately develop brand loyalty

The Value of a Trademark

- ▶ A marketing tool
- ▶ Source of revenue through licensing
- ▶ Crucial component of franchising agreements
- ▶ May be useful for obtaining finance
- ▶ A valuable business asset

The Value of Trademarks

▶ Global Brand Scoreboard

- ▶ 1. Coca-cola 70.45\$ billion
- ▶ 2. IBM 64.73 \$ billion
- ▶ 3. Microsoft 60.89 \$ billion
- ▶ 4. Google 43.56 \$ billion
- ▶ 5. GE 42.81 \$ billion

▶ *(Interbrand Business Week 2010)*

Trademark Protection > Registration =

- ▶ Exclusive rights prevent others from marketing products under same or confusingly similar mark
- ▶ Secures investment in marketing effort
- ▶ Promotes customer loyalty/ reputation / image of company
- ▶ Provides coverage in relevant markets where business operates
- ▶ Registered marks may be licensed or basis franchising agreements

Practical Aspects

- ▶ **Selecting a trademark**
- ▶ **Protecting a trademark through registration**
- ▶ **Using and maintaining a trademark**
- ▶ **Enforcing a trademark**

What to avoid when selecting a Trademark

- ▶ Generic terms: CHAIR to sell chairs
- ▶ Descriptive terms: SWEET to sell chocolates
- ▶ Deceptive terms: “ORWOOLA” for 100% synthetic material
- ▶ Marks contrary to public order/morality
- ▶ Flags, armorial bearings, official hallmarks, emblems



What to Remember when selecting Trademark?

- ▶ Inherently distinctive
 - Coined or fanciful words: “Kodak”
 - Arbitrary marks: “apple” for computers
 - Suggestive marks: SUNNY for heaters
- ▶ Easy to memorize and pronounce
- ▶ Fits product or image of the business
- ▶ Has no legal restrictions
 - Reasons for rejection
 - TM search > not identical or confusingly similar to existing TM
- ▶ Has a positive connotation
- ▶ Suitable for export markets
- ▶ Corresponding domain name available

Protecting a TM through registration

- ▶ The applicant
 - Application form, contact details, graphic illustration of mark, description of goods, fees
- ▶ The trademark office
 - Formal examination
 - Substantive examination
 - Publication and opposition
 - Registration certificate valid for 10 years
 - Renewal

Scope of Rights

- ▶ The exclusive right to use the mark
- ▶ The right to prevent others from using an identical or similar mark for identical or similar goods or services
- ▶ The right to prevent others from using an identical or similar mark for dissimilar goods or services

Keep in Mind

- ▶ The time it takes to register a TM
- ▶ The costs associated with TM protection
- ▶ The need for a trademark search
- ▶ A trademark agent may be required
- ▶ Protecting at home and abroad
- ▶ Renewing your registration

Protecting at Home and Abroad

- ▶ **The national route**
 - Each country where you seek protection
- ▶ **The regional route**
 - Countries members of a regional trademark system: African Regional Industrial Property Office; Benelux TM office; Office for Harmonization of the Internal Market of the EU; Organisation Africaine de la Propriété Intellectuelle
- ▶ **The international route**
 - The Madrid system administered by WIPO (over 70 member countries)

Using a Trademark

- ▶ **Actively using a TM**
- ▶ **Using/maintaining a TM in marketing and advertising**
- ▶ **Using the mark on the internet**
- ▶ **Using the mark as a business asset**

Actively using a Trademark

- ▶ Offering the goods or services
- ▶ Affixing the mark to the goods or their packaging
- ▶ Importing or exporting the goods under the mark
- ▶ Use on business papers or in advertising

Using a Trademark in Advertising

- ▶ Use exactly as registered
- ▶ Protect TM from becoming generic
 - Set apart from surrounding text
 - Specify font, size, placement and colors
 - Use as an adjective not as noun or verb
 - Not plural, possessive or abbreviated form
 - Use a trademark notice in advertising and labeling ®
- ▶ Monitor authorized users of the mark
- ▶ Review portfolio of trademarks
- ▶ An evolving trademark

Using a TM on the Internet

- ▶ Use of TM on internet may raise controversial legal problems
- ▶ Conflict between trademarks and domain names(internet addresses) – cybersquatting
- ▶ WIPO procedure for domain name dispute (<http://arbiter.wipo.int.domains>)

Using a Trademark as a business asset

- ▶ **Licensing:** owner retains ownership and agrees to the use of the TM by other company in exchange for royalties > *licensing agreement* (business expansion/diversification)
- ▶ **Franchising:** licensing of a TM central to franchising agreement. The franchiser allows franchisee to use his way of doing business (TM, know-how, customer service, s/w, shop decoration. Etc)
- ▶ **Selling/assigning TM** to another company (merger & acquisitions/raising of cash)

Enforcing Trademarks

- ▶ Responsibility on TM owner to identify infringement and decide on measures
- ▶ “Cease and desist letter” to alleged infringer
- ▶ Search and seize order
- ▶ Cooperation with customs authorities to prevent counterfeit trademark goods
- ▶ Arbitration and mediation (preserve business relations)