

Securing Your Trade Marks for Corporate Value Addition

MANAGING & MARKETING TRADE MARKS

Singapore, January 2003

Why & Why

- WHY should you secure your trade marks?
 - I will use 3 case studies to explain why you MUST secure your trade marks
- why should you secure your trade marks in India?
 - I will use 5 case studies to explain why you MUST secure your trade marks in India

Enhancing Competitiveness

You must secure your trade marks BECAUSE, securing Intellectual Property Rights helps you in:

- Developing and establishing a corporate identity for your enterprise through a structured trademark and branding strategy
- Enhancing the market value of your company
- preventing competitors from copying or closely imitating a company's products or services;
- Gaining entry into to new markets
- avoiding wasteful investment in research and development (R&D) and marketing
- negotiating licensing, franchising or other IP-based contractual agreements
- Getting venture capital and enhancing access to finance

The Mug Factory TM

- The Mug Factory is the brain child of Michael Beverley. It is located in Queensland's Gold Coast. Coffee Mugs are big business; one of the most popular gift items in the world market.
- According to Michael, "The key to a mug's success is not what the consumer is going to put inside it, but what the consumer sees on the outside when it's sitting on the shop shelf". Known as licensed properties, this imagery (the imagery on the Mugs) is bought for a set time and price from the license holders, such as Warner Bros, Walt Disney & Company, and Gaffney International.
- Michael decided to do mugs. He decided to produce the best damn coffee mugs you could find and carve out his share in this enormous market. He went about mastering low-heat transfer technology to do this.
- The usual process was to apply expensive decal and then fired on at extremely high temperatures in giant kilns. The whole process means that your average mug is made with a lot of effort and a lot of cost. And amazingly, this does not necessarily result in the best looking mug. Michael changed this with his Living PictureTM process, an incredible mix of cutting edge innovation with low-tech production, so that one person can produce a high volume of mugs per day.

The Mug Factory™

- Living Picture™ - a trade mark registered with the Trade Mark Office of IP Australia - is now a well-known brand in the licensing industry.
- Within a very short time, Michael's innovative approach has paid off. Living Picture™ mugs carry the most popular of licensed properties - Star Wars, Elvis, and Star Trek to name a few - and are distributed around Australia by one of the country's largest gift wholesalers, Crystal Craft.

"Beautiful one day, perfect the next".

- This is the success story of QTTC, the Queensland Tourist & Travel Corporation (QTTC), in Brisbane.
- Before 1992, QTTC did not understand the value of intellectual property protection. They had been running their "Beautiful One day, Perfect the Next" campaign for some time and developing other branding, before they came in touch with a trade mark specialist with a patent attorney firm in Brisbane.
- The trade mark attorney moved quickly to ensure that only one party-the QTTC-could call these valuable assets their own. Essentially, his aim was to provide a legal monopoly over the logos and phrases which Australians and overseas tourists were increasingly associating with Queensland.
- QTTC's logos & marks are all registered across a variety of classes with the Trade Marks Office of IP Australia. The marks are also registered in a variety of other countries.
- QTTC now brings their trade mark attorney into the early stages of all new brand and campaign development. They make sure they have watertight protection and ownership, then they go out to the public with it.

The QTTC Story

- “Beautiful One Day, Perfect the Next”
- “Sunlover Holidays”
- “Live it Up!”
- “QTTC's own logo with the palm tree feature”

"Chirimoya Cumbe." – the 'Mark' Matters

- Matildo Pérez, a peasant from a village community in the heights of Lima wanted to register a trade mark for "Chirimoya Cumbe."
- *Chirimoya is a fruit that grows in the Andean region of Peru and Ecuador. Cumbe is the name of a valley in Peru where the chirimoya grows.*
- He made an application for registration of this Mark at the National Institute for the Defense of Competition and Intellectual Property of Peru (INDECOPI).
- His application was refused, however, owing to the fact that quite simply no exclusive rights in generic names can be granted to a single person.
- Matildo did not give it up. He appeared again, this time with a delegation headed by the Deputy Mayor of Cumbe, seeking an appointment with the Head of the Distinctive Signs Office of INDECOPI.

Matildo Pérez had a power of attorney with him, On reading the power of attorney, the INDECOPI official smiled with satisfaction: The people of Cumbe, gathered together on the main square, had empowered Matildo to apply for registration of the Mark.

“Chirimoya Cumbe” is in fact an appellation of origin, not a trademark. To be more precise, the second is an appellation of Peruvian origin, because the valley of Cumbe is a geographical area that gives certain distinctive properties to the Chirimoya. At the outset they were delighted with this idea, and went back to their village. They got back and said ‘no’, they did not want to register a geographical indication. So finally a Collective Mark was registered.

Today the name "Chirimoya Cumbe" has its own characteristic logo and, more importantly, is registered in the name of the village of Cumbe (in Class 31 of the International Classification), and the latter are working to gain a competitive edge over their rivals in Lima's Wholesale Fruit Market.

Thanks to the persistence and drive of Matildo, and his ability to make use of the intellectual property protection system, his village has increased the value of its individuality, its knowledge and its tradition of excellence.

Name matters.

The Second WHY?

- **why should you secure your trade marks in India?**

BECAUSE

- India is an emerging market
- A founding member of WTO
- A Full Dialog Partner of ASEAN
- Emerging IT Super Power
- Bangalore is the Silicon Valley and Hyderabad is rechristened as 'cyberabad'
- A consumer economy with a billion people
- Various sectors of Indian economy have been opened up for Foreign Direct Investment
- In several key sectors hundred percent foreign equity participation is permitted
- The laws are getting amended and becoming transparent, efficient and expedient
- Law enforcement is becoming easy and cost-efficient
- High quality man power is available at relatively low cost
- Infrastructure developments in the first 4 decades of post independent India now helps the investors

The success stories from India



Serving India for 124 years
Trusted by over 2 million shareholders
80 diversified companies
Accounts for 3.2% of India's exports
Revenues of Rs 41,300 crore

Reliance Industries' business mix comprises 21% of polyester, 29% fibre intermediates, 34% of plastics and intermediates, 12% chemicals, 3% oil and gas and 1% fabrics.

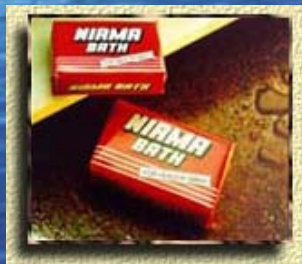
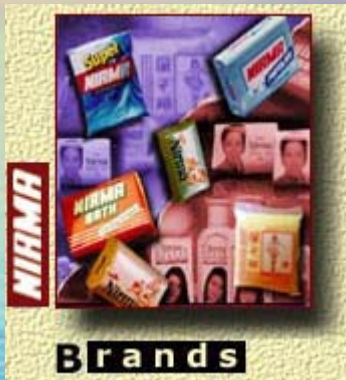
Reliance ranks among the top 10 producers in all its major products. Reliance is a market leader in all its products in India with market shares ranging from 40% to 80%.



Touched \$ half a billion in annual revenue.



NIRMA



The NIRMA story of umbrella branding

- Nirma boasts of a strong brand loyalty from it's 400 million consumer base
- Nirma sells over 800,000 tonnes of detergent products every year and commands a 35% share of the Indian detergent market, making it one of the world's biggest detergent brands.
- Based on the pragmatic concept of 'Umbrella Branding', Nirma has been increasingly successful in extending it's brand equity to other product categories like Premium Detergents, Premium Toilet Soaps, Shampoos, Tooth pastes and Iodised Salt, thus opening new vistas to the field of Brand Building.
- Within a short span of three decades, Nirma has completely rewritten the rules of the game.
- Offering high quality products at unbeatably low prices. In the process, Nirma has helped expand the entire soaps and detergents market to a level of Rs. 82 billion.
- Today, Nirma has a Rs.17 billion share in this market and has been acknowledged as a marketing miracle.
- This has been possible through it's focus on cost effectiveness by integrating latest technology manufacturing facilities with innovative marketing strategies to create world class brands. And at the same time not losing sight of it's social responsibilities.

MARICO Industries



It is these success stories that made me to suggest that secure trade marks,
if possible globally and
Definitely India is a destination

So it is time for you to think, rethink and redesign your business, the way you look at Intellectual
Property and put in place an IP asset management strategy ..

Please remember, it is always good to do it with professional guidance....

- www.wipo.int
- www.tatasons.co.in
- www.reliance.com
- www.maricoindia.com
- www.nirma.com
- www.nic.in

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Thank you