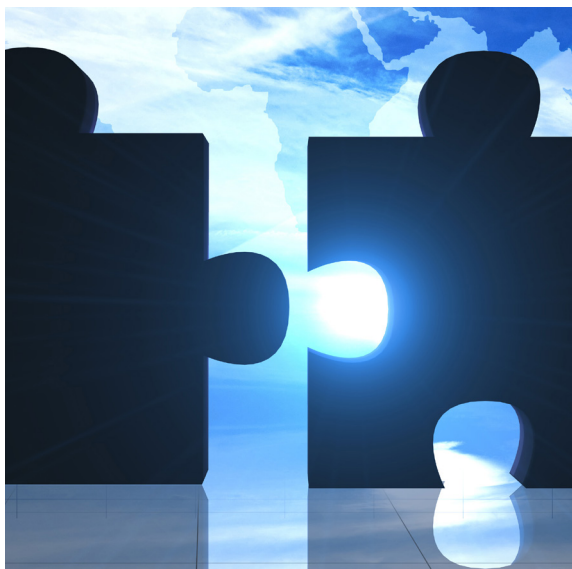


METAMORPHOSIS OF INDIAN IP SYSTEM



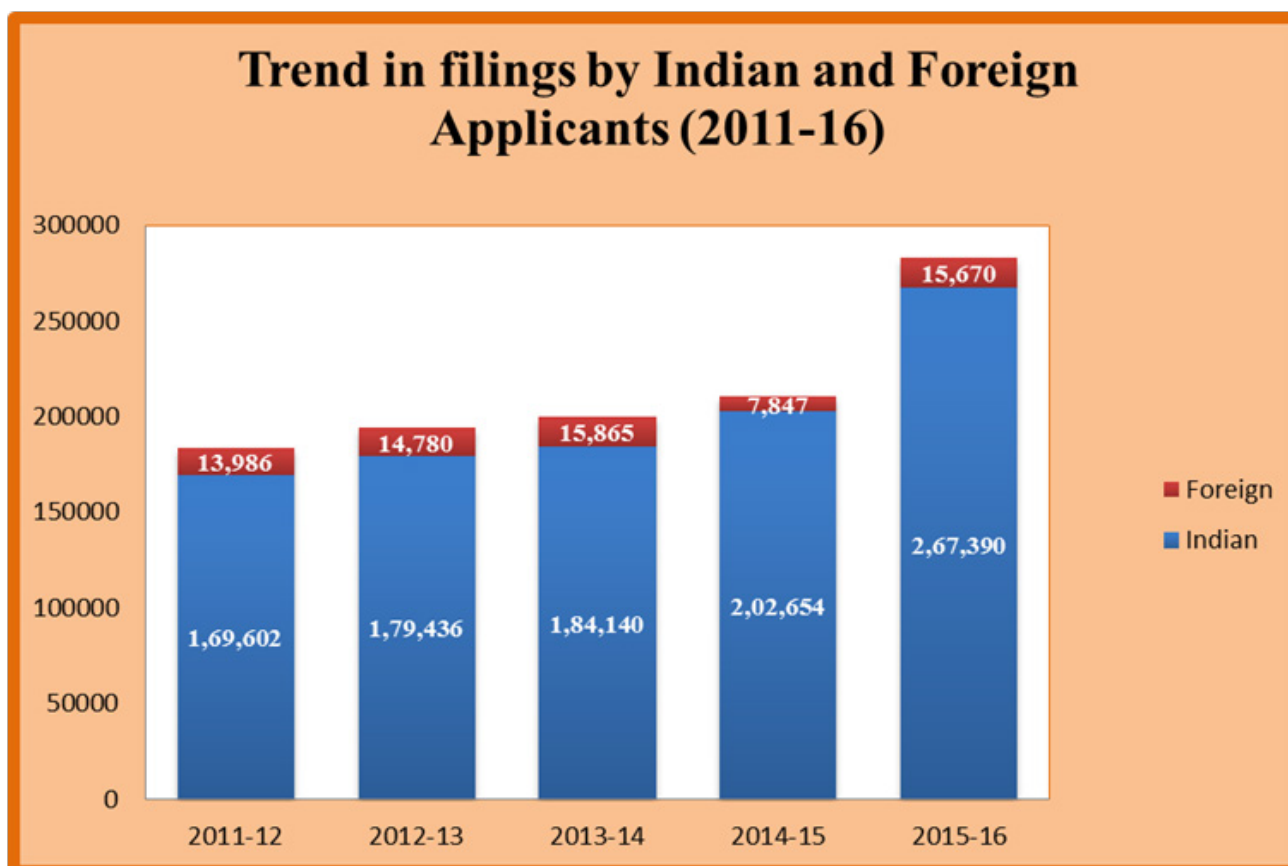
METAMORPHOSIS OF INDIAN IP SYSTEM



The transformation of the Indian IP Office in the last year has been unprecedented. It will not be a hyperbole to state that the need for simplified and streamlined processes has finally metamorphosed into concrete actions being undertaken by the Office of the Controller General of Patents, Designs and Trademarks (CGPDTM).

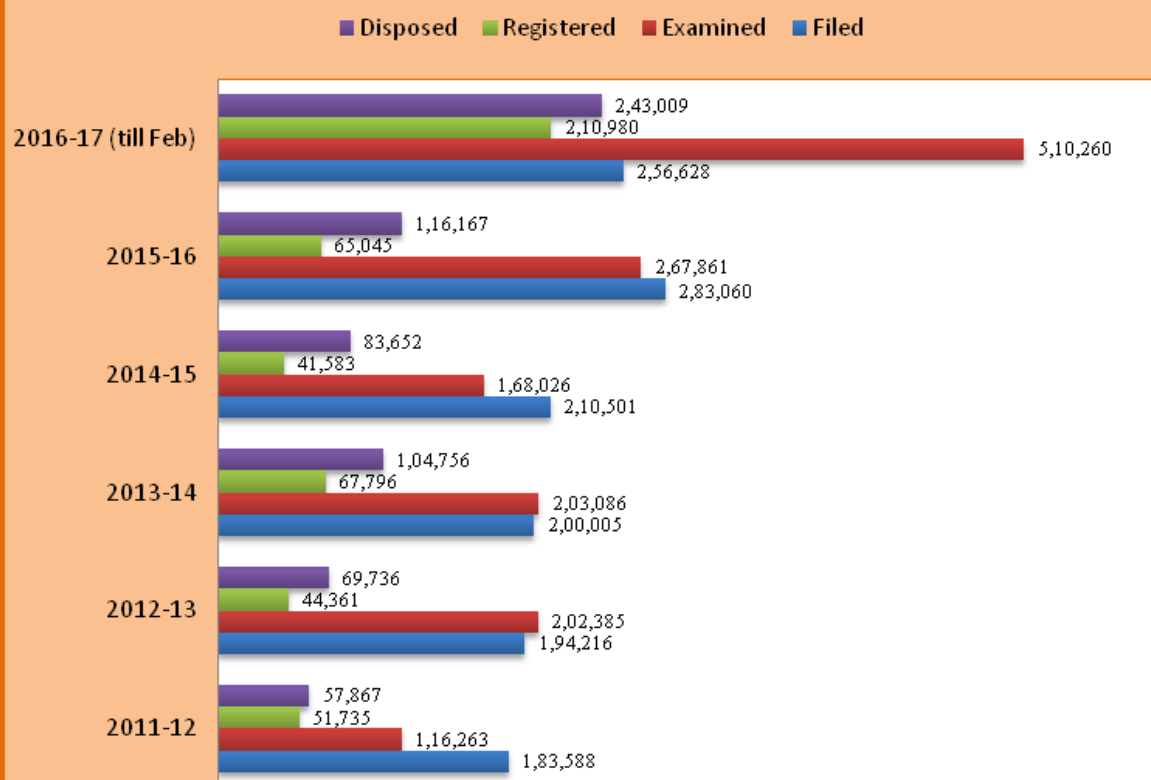
The previous year also beholds important policy as well as legislative changes, which demonstrate that the Indian Government too realizes the significance of a well-balanced IP regime that not only plays a noteworthy role in economic and industrial growth of the country but also promotes social welfare through stimulation of innovation, research and creativity.

The Office of the CGPDTM has released its Annual Report, wherein the initiatives executed by various offices under the CGPDTM, during the year 2015-16, have been analyzed and assessed. The Report shares these endeavors, and statistically scrutinizes the resultant developments. We bring to you year-wise data of filings, prosecution and registrations relating to trade marks and designs for the past years, collated from the Annual Report, information/data shared by Ministry of Commerce and Industry at Lok Sabha (House of People) and released on Press Information Bureau's website.



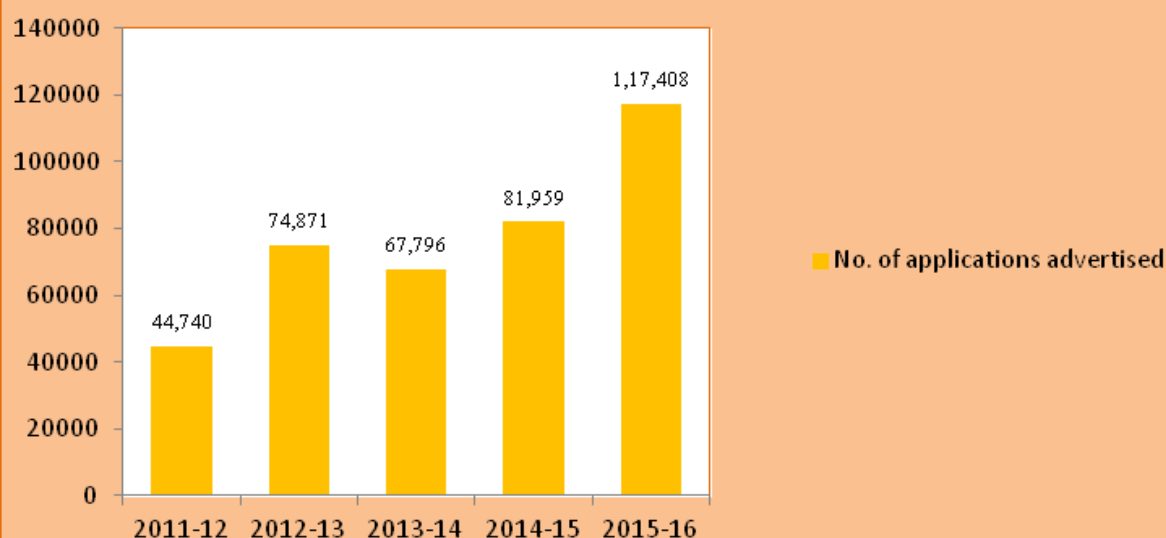
- As evident there has been steady growth in trade marks filing in India
- In comparison to 2014-2015, **foreign trade mark filings** have witnessed almost 100% increase in 2015-2016

Trend in Trade Mark applications filed, examined, registered and disposed (2011-17)



- The year 2016-2017 (till February) has witnessed enormous increase in the number of applications examined. Compared to the previous year, there has been a 90% escalation in this aspect.
- In 2016-2017 registration has skyrocketed. There has been more than 200 % hike in the number of marks registered.
- There has also been an upsurge of 100 % in the disposal rate (withdrawn + abandoned + refused + granted registration) of applications.

Trade mark applications advertised in the Trade Marks Journal (2011-16)



Acceptance rate of applications has increased by approximately 40% in the year 2015-2016.

Top 5 Classes in which Trade Mark Applications filed

Class	Goods	Application Filed	% of Total Filing
5	Medical, pharmaceuticals, veterinary and sanitary substances etc.	28933	14.93%
25	Clothing including boots, shoes and slippers	20883	6.64%
9	Scientific, nautical, surveying and electrical apparatus etc.	18765	5.96%
30	Coffee, tea, cocoa etc.	17185	5.46%
41	Education; providing of training, entertainment; sports and cultural activities	16251	5.16%

Top 5 Classes of Registered Trade Marks

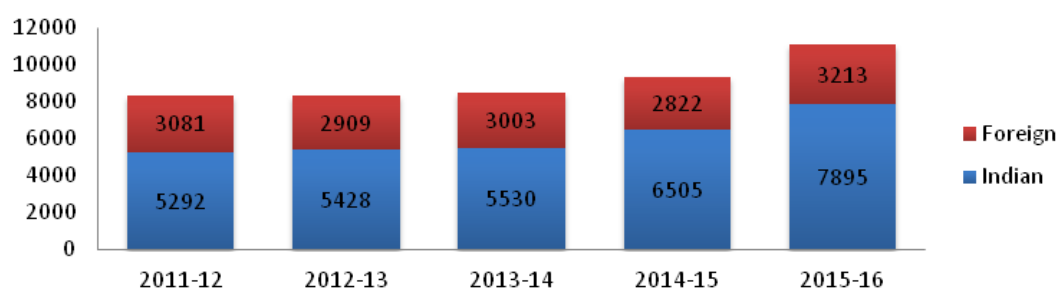
Class	Goods	Application Filed	% of Total Filing
5	Medical, pharmaceuticals, veterinary and sanitary substances etc.	8599	12.083%
35	Advertising, business management, business administration, office functions	5592	7.858%
9	Scientific, nautical, surveying and electrical apparatus etc.	4552	6.396%
41	Education; providing of training, entertainment; sports and cultural activities	3993	5.611%
25	Clothing including boots, shoes and slippers	3504	4.924%

DESIGNS | TRENDS IN DESIGN PROSECUTION

Stage	2011-12	2012-13	2013-14	2014-15	2015-16
Filed	8373	8337	8533	9327	11108
Examined	6511	6776	7281	7459	9426
Registered	6590	7252	7178	7147	7904
Disposal of applications	6705	7300	7226	7218	8023

- The year 2015-16 has witnessed an escalation of 19% in filing of design applications
- Compared to 2014-2015, there has been a growth of 26% in the number of applications examined in 2015-2016
- 2015-2016 has also witnessed acceleration in registration of designs. There has been more than 10 % hike in the number of designs registered.
- There has also been an upsurge of 11 % in the disposal rate (withdrawn + abandoned + refused + granted registration) of design applications.

Trend in Indian and Foreign origin applications filed (2011-16)



- There has been an escalation of 21% in filings by Indian applicants
- Design filings by foreign applicants have also witnessed an increase of 14%

Top 10 foreign countries in the realm of Design filings

Country name	Number of applications
U.S.A.	870
Republic of Korea	514
Japan	437
Germany	302
U.K.	272
France	216
China	157
Switzerland	154
Italy	125
Netherlands	120

OTHER HIGHLIGHTS

Several initiatives to expedite the trade mark and design registration processes have been introduced. These new practices coupled with modifications in the subsisting procedures, brought about to address the monumental backlog, have been welcomed by one and all. Further, actions have also been taken by the Legislature to accelerate and streamline the trade mark registration process.

Some of the major initiatives are:

- With the objective to expedite and simplify registration process, bring about higher efficiency and encourage individuals and businesses, alike, to seek protection for their respective trade marks, the Trade Marks Rules, 2017 have been enforced with effect from March 6, 2017.
- The e-filing journey has taken a new turn with the facility for online filing of all trade mark forms being made available.
- In order to achieve complete transparency, allotment of applications for examination has been automated, requiring no human intervention.
- Electronic system has been developed for issuance of registration certificates centrally from Trade Marks Office (TMO), Mumbai, which includes printing and dispatching of certificates.
- TMO has started sending official communications at the e-mail of the applicant or his authorized agent.
- The process of renewal of registration has been automated.
- Prompt actions are being taken on all the applications received by the Office of the CGPDTM under Right to Information Act.
- Extensive hiring of Examiners coupled with training.
- E-filing facility for design applications introduced, which has continuously been monitored and upgraded to facilitate better service.
- In order to establish a Quality Management System in respect of design registration activities, the office of CGPDTM has acquired ISO 9001:2008 certification.

The much welcomed initiatives and steps to accelerate the registration process has resulted in a marked increase in the effective disposal of pending matters. Now with the enforcement of the long awaited new Rules, it is expected that further robust and positive changes will be brought about, which will encourage one and all to seek protection for their IP.

Winds of Change: Indian Trademark Rules Now & Then



S.no.	Trade Marks Rules 2002	Trade Marks Rules 2017
1	<p>No provision for claiming well-known status There was no provision to file a request with Trade Marks Office for determining and declaring a trade mark as "well-known"</p>	<p>Well-known mark – the way to go!! A proprietor can now submit a request with Trade Marks Office along with a Statement of Case and relevant evidence supporting the claim of the mark's well-known status.</p> <p>The official fee for such a request has been fixed at USD 1500 (approx.)</p>
2	<p>Only examination could be expedited The former rules only provided the provision for expediting the examination process.</p>	<p>The registration process can be expedited A request for expedited processing of the application can be filed after the application number is assigned and before the application is examined by the TMO.</p> <p>Accordingly, all steps of the registration process will be speeded up</p>
3	<p>Excessive number of Forms There were 68 separate Forms, which were employed earlier for carrying out various tasks</p>	<p>8 Consolidated multi-purpose Forms The 68 Forms have now been replaced by 8 consolidated forms, thereby streamlining the whole filing and prosecution process.</p>
4	<p>Mode of filing irrelevant for official fee Official fee was same regardless of the mode of filing i.e. physical or electronic filing.</p>	<p>Less fee for E-filing Physical filing of an application or document shall necessitate an additional fee of approximately 10% and in some cases, physical filing is not even permitted.</p> <p>This step has been taken to promote digitization and transition to a paperless system.</p>
5	<p>Extension available for filing evidences in opposition proceedings: The statutory period for filing evidences in opposition proceedings could be extended by one month.</p>	<p>No extension for filing evidences in opposition proceedings: For the speedy disposal of opposition proceedings, the new Rules have done away with the provision of extension in leading evidences in support of opposition/application.</p>
6	<p>No specific provision for sound mark Though the definition of 'Trade Mark' is inclusive, there was no specific provision dealing with sound mark.</p> <p>Further, there was inconsistency in the practice surrounding sound mark registration.</p>	<p>Specific provision for sound mark The new Rules have an express provision for filing applications for sound marks which must now be submitted in an MP3 format, not exceeding 30 seconds in length. This is also to be accompanied with a graphical representation of the sound notations.</p>

S.no.	Trade Marks Rules 2002	Trade Marks Rules 2017
7	Fee for associating trade marks Association of trade marks entailed an official fee of USD 8(approx.)	No association fee Under the new Rules, the earlier requirement of payment of association fee has been done away with.
8	Extra-character fee The applicant was required to pay USD 0.16 (approx.) for every additional character, exceeding the prescribed limit of 500, in each class specification	No extra-character fee The requirement to pay extra-character fee has been scrapped under the new Rules.
9	Late commencement of the term for payment of renewal fee The term for filing requests for renewal started six months prior to the date of expiration of registration.	Early commencement of the term for payment of renewal fee The term for filing requests for renewal now starts one year prior to the date of expiration of registration.
10	No limit on the number adjournments in opposition proceedings Though there was no cap on the number of adjournments that could be sought, but in practice the allowance of more than 3 adjournments, requested by the same party, were at the discretion of the Examiner	Maximum two adjournments of hearing in opposition proceedings The new Rules have limited the number of adjournments that can be sought by a party, to 2. Further, each adjournment shall not be for more than 30 days.
11	No rebate for individual/ startup or a small enterprise Regardless of the legal status, the trade mark applicants were required to pay the same official fee	Rebate for individual/ Startup or a small enterprise If the Applicant is an individual/ Startup or a small enterprise, the fee for filing an application shall be reduced by 50 percent.

Some other developments...

Increase in official fees:

Under the new Rules, there is a substantial increase in the official fee for filing forms and applications.

Electronic Service of Documents:

The Trade Marks Office may serve documents electronically via email
This digital move is likely to significantly cut down the delay in the prosecution of trade mark applications

Counterstatement filed in response to Notice of Opposition available online obviates its official service requirement:

This precludes the redundancy of service of the Notice of opposition thus expediting opposition proceedings in such cases.

OUR EXPERTISE

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IP Due-Diligence Services

IP Portfolio Management Services

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Brand Protection & Anti-counterfeiting Practices

IP Licensing & Assignments

Media, Entertainment & Broadcasting

Commercial and General Corporate Advisory

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