

INTERNATIONAL TRADEMARK ASSOCIATION
COMMENTS ON THE
DEPARTMENT OF INDUSTRIAL POLICY & PROMOTION
DISCUSSION PAPER:

***Review of Organizational Structure of the Office of the Controller General of Patents,
Designs, Trade Marks and Geographic Indications***

The International Trade Mark Association (INTA) greatly appreciates the opportunity to participate in this consultation process afforded by the Department of Industrial Policy & Promotion (DIPP) and to provide comments on the discussion paper concerning the review of the organizational structure of the Office of the Controller General of Patents, Designs, and Trade Marks (CGPDTM). INTA commends the efforts of the Indian government to enhance the effectiveness and efficiency of Indian intellectual property operations and to be more responsive to the needs of intellectual property owners and users.

INTA is a not-for-profit membership association of more than 5,900 trademark owners and professionals firms from more than 190 countries. The Association was founded in 1878 and is dedicated to the support and advancement of trademarks and related intellectual property as elements of fair and effective national and international commerce. INTA members share common interests in the protection of trademarks and the development of trademark law, and they rely on INTA to represent and advocate for those interests with national governments and international organizations. INTA's diverse membership includes multinational corporations and other business enterprises of all sizes, intellectual property and general practice law firms, trademark agent firms, service firms, trademark consultants, and academic institutions.

Currently, INTA has 116 member companies and firms in India. In addition to our Indian members, INTA has many members globally who are active in protecting and enforcing their intellectual property rights in India. Accordingly, INTA has a keen interest in the efficient operation of the Indian Trade Mark Registry and would welcome an ongoing dialogue with DIPP concerning any possible restructuring and procedural reforms of the CGPDTM.

Critical Factors for Success

The discussion paper lists several questions for consideration dealing with various structural and legal reforms which may be required to restructure the office of the CGPDTM. As pointed out in the discussion paper, various countries have adopted different models and structures. In INTA's experience, each approach has different strengths and weaknesses. What is best in any given situation is often determined by reference to the individual laws of the country in question and various geo-political and cultural considerations.

Given the above, rather than provide specific answers to the questions posed, INTA instead lists below those factors which we have identified as critical for a successful trademark office. These “critical success factors” include the following:

Financial Autonomy-- As a general proposition, INTA believes it desirable that any Intellectual Property Office (IPO) should be a financially autonomous agency. The Office also should have the ability to establish its budget, set reasonable fees and make hiring decisions based on the demand for its services. User fees should be retained by the Office to fund and improve operations rather than being absorbed into a general budget and then reallocated back to the IPO. INTA has observed in a number of jurisdictions that more often than not, revenues that do not remain within the control of the Office are diverted for uses other than its funding. We speculate that for the Indian IPO sufficient funds would be available for operations if all revenue generated through the Office was remitted back to the IPO. Further, if the trademark operations remain under the umbrella of a larger IPO, INTA recommends that fees collected for trademark registrations and related operations be used solely for the trademark office and not commingled with the other intellectual property registry operations, such as patents, designs or geographical indications. The trademark office should, however, be fairly assessed to support shared operations of the IPO.

Number and Quality of Examiners-- INTA believes that it is absolutely critical to have a sufficiently large pool of well educated and well trained examiners in order to meet the needs of trademark owners and all users of the system. Without sufficient numbers of examiners, attempts to lower the current backlog poses a serious risk that the quality of examination will suffer, which, in turn, may erode user's confidence in the system. Most importantly, the examiners should be compensated at a rate which is competitive with the private sector in order to assure attracting and retaining highly competent personnel. The discussion paper raises the possibility of outsourcing examination. There are a number of risks with this approach and to be successful, it would require a robust system of checks and balances be in place. On balance, INTA believes that the trademark operations will be better served by increasing the number of examiners so that the examination backlog may be dealt with by the Office internally.

Clear Examination Guidelines-- Certainty of outcomes is a hallmark of a successful trademark office. Clear examination guidelines provide a useful tool not only for examiners but also for users of the system to ascertain in advance how a particular case may be examined. We are encouraged that the office of the CGPDTM published a draft manual for trademark practice & procedure which includes examination guidelines. INTA also has developed model guidelines for trademark examination, which we have presented to jurisdictions around the world, and we would be pleased to assist the Office in providing training for examiners on key examination issues.

Clear Process and Predictable Timeframes-- Certainty in terms of process and timeframes is highly valued by IP owners and users of the system. Many offices worldwide achieve this by setting key performance indicators (KPI) for their examiner core and then measure performance on a periodic basis (monthly or at least quarterly). In the case of India, it would of course be desirable to also ensure uniformity across the five different offices, if those offices are to retain separate cores of examiners. We understand that there has been some consolidation of the examiner core for trademarks into the Mumbai office which has resulted in efficiencies and improved quality. Further consolidation, therefore, may be beneficial. INTA also strongly recommends that India consider joining the Singapore Treaty on the Law

of Trademarks which creates an international framework for the harmonization of administrative trademark procedures.

Transparency-- Related to the above, but noted separately owing to its importance, is transparency of the office procedures and the decision making process. Other trademark offices have addressed this through a KPI program as mentioned above. Consideration should be given to the formation of a “users group” which would meet periodically with Office management to discuss key issues. Such groups range in formality among various offices, but overall both the offices and user organizations like INTA have found them extremely helpful in improving communications and managing expectations.

Application of State-of-the-Art Technology – INTA is very pleased with the Office’s efforts in adopting electronic filing as indicated by the recent notification that it will soon be required that applications and other forms be submitted using online electronic transmission. This should greatly improve the application process, as well as maintaining the register. It also will facilitate the acceptance of international applications upon India’s accession to the Madrid Protocol. INTA members have a great deal of experience with electronic filing systems that are maintained by various offices throughout the world and we would be happy to work with the Indian Office on perfecting its system.

Conclusion

While there are certainly additional critical success factors for consideration by DIPP in the possible restructuring of the office of the CGPDTM and for improving its operations, INTA believes that the Office has made recent progress in addressing the issues that have confronted users for many years. While numerous challenges remain, any restructuring should ensure that these improvements continue through the implementation of the critical success factors that have proven to be effective in several IP offices throughout the world.

Finally, in addition to the offices cited in the discussion paper, we encourage DIPP to also consider the current structure and procedures of the European Union’s Office for Harmonization in the Internal Market (OHIM). Since OHIM began accepting applications for Community Trade Marks in 1996, the Office has been extremely successful in achieving user satisfaction and financial independence. What OHIM has learned over the years in its fairly short history could prove most useful to the Office of the CGPDTM.

If DIPP wishes to discuss these comments or has further questions, please contact INTA’s India Representative Simran Daryanani Zainulbhai at sdaryanani@inta.org.

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