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30 November 2011

Ministry of Commerce and Industry
Department of Industrial Policy & Promotion
NEW DELHI 110001

Subject: Review of Organisational Structure of the Office of the Controller
General of Patents, Designs, Trade Marks and Geographical
Indication

Dear Sirs,

We welcome the opportunity to comment on the above referred Discussion Paper which we have gone through keenly. As a member of the stakeholder community, we find the paper well articulated with key issues being well reflected for larger consultation. We are glad to offer our response embodying our perception of these issues and possible solutions which we hope would be found useful.

Our response is enclosed in the following sheets for your kind perusal and consideration.

Yours faithfully,

Dr Rajendra Prasad
Founder

12th Discussion Paper of DIPP on CGPDTM

REVIEW OF ORGANISATIONAL STRUCTURE OF THE OFFICE OF THE CONTROLLER GENERAL OF PATENTS, DESIGNS, TRADE MARKS AND GEOGRAPHICAL INDICATIONS.

COMMENTS

1. *Given the radically different skill requirements of trade mark and patent office staff, the operational difficulties and the present challenges being faced by the O/o CGPDTM, is it desirable to establish an independent office for the Trade Marks and GI registry?*

The known operational difficulties of the office of the CGPDTM are on account of non-availability of resources, skills and manpower and the over-all efficiency of the services not being maintained as per the growing demand. It would make little difference whether various wings work separately as part of a single outfit or entirely independent as multiple offices in so far as tackling the current crisis is concerned.

2. *If so, what should be the organizational and reporting structure for each office?*

The current organizational structure and line reporting seem adequate and does not require any drastic change.

3. *Given the sensitivity of Patent law and practice in India and also the experience in other major IP Offices such as the USPTO, would it be appropriate to consider making the Office of CGPDTM autonomous? Is it possible to bifurcate the two offices and make the Trade Marks Registry and the Patent and Design Office two autonomous organizations?*

Yes, administrative and financial autonomy for the Patent Office seems essential and the same should be true for the Trade Mark Registry as well as other constituent offices of IP system in India. It should not be difficult to bifurcate the two offices since they both deal with two different Acts and call for different types of competencies and skills to render the required services. But bifurcation by itself is by no means an essential requirement for the efficiency gain.

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4. *What legal changes are required? What changes are required to the rules?*

Steps may be initiated to review all relevant Acts, Statutes & Rules for possible changes with a view to provide for greater autonomy to CGPDTM as a single outfit or several of its constituents as independent offices. The scope of such amendments should strictly be within the confines that help replace old archaic and decentralized system of governance with a decentralized system of functioning amenable to a computerized environment.

5. *Can the reorganization of the office of CGPTDM be taken up within the existing framework without seeking any amendments to the law? If so, what can be an ideal model?*

CGPTDM as an autonomous institution can function with devolution of administrative and financial powers by DIPP to promote speedy decision making with accountability and cost effectiveness.

6. *How should the office of the Controller be strengthened?*

Autonomy coupled with certain strategic initiatives outlined hereunder should be seriously considered with a focus on international benchmark (since 80% of clients are basically international, especially that of Patent system) for 'quality service' for all constituent offices of IP system.

- a. Measure and achieve highest index of 'customer satisfaction'; organizations focusing on 'customer satisfaction' also focus of 'employee satisfaction' where employees are treated as internal customers. If the employees are professionally competent and work in highly efficient work environment and enjoy maximum job satisfaction, the services rendered by them would yield maximum 'customer satisfaction'. This should be an ongoing process and periodically monitored internally as well as externally.
- b. Establish an extensive IT infrastructure; develop and deploy custom-made IT tools for variety of end applications. E-filing is a good step in this direction. Lot more needs to be done in this direction, however. E-filing process needs to be made easy and popular with excellent online customer-support and other measures such as fee-reduction through on-line submission as well as on-line fee transaction and the entire prosecution to be carried out through e-processing. Requirement of digital signatures makes the process somewhat complex. It may be examined if secure communication and fee transaction can be carried out without requiring digital signatures, especially if an applicant / agent is already registered with the Patent Office.

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- c. Providing easy access to information to all stake holders and customers. All past records need to be digitized and made available for online search. Transparency of actions taken and methodologies employed, e.g., in prior-art search and examination and dealing with pre-grant and post-grant oppositions should be ensured while maintaining necessary confidentiality and security of data from third parties.
 - d. Develop a large network and pool of service providers on freelance basis to complement the work of permanent staff. It goes without saying that confidentiality and security of data in such processes must be ensured.
7. *The Department had taken an initiative to outsource some part of the prior art search of the Patent office to CSIR. This project is proving to be beneficial. Which other organizations could be tapped for the purpose. Are there likely pitfalls that the department must take precautions against? What could be such precautions?*

Outsourcing prior-art search to CSIR (URDIP) is fine and may continue. However, it's over all capacity to deliver is limited and the growing demand cannot be met appreciably through this mode alone. Also, it is not known if there are any other comparable institutions in India which can suitably be tied up for such work.

Nonetheless, it seems possible to develop different outsourcing models utilizing the services of working scientists and engineers as well as those who have retired from the active service but are willing to contribute. India is one of the countries with a large population of engineers and scientists and it should be possible to conceive a suitable scheme of work that attracts the available contributor (with suitable prior training and briefings before being given a freelancer code for this purpose) to get descriptive part of pending patent application (without revealing the true identity of the applicant) for review and assessment. The selection of the application could be random and based on matching keywords of field of research that the application and the contributor share. The payment to the contributor could be calculated on a suitable basis and automatically credited to the contributor's account. Such working could be free from any fixed working hours and could possibly be done from home or office. There could be a limit of cases one can do from office lest the normal routine of a working scientist gets affected. It may be reiterated that ensuring confidentiality and security of data from third parties is of paramount importance.

Outsourcing of prior-art search is now commonly employed in Japan and Republic of Korea. Korea, in fact, also boasts of being able to reduce the pendency and backlog of the applications quite considerably. These models are worth studying by the DIPP.

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Another instance of novel prior-art search model worth DIPP's attention is 'Peer-to-Patent' pilot project undertaken by USPTO in collaboration with Worcester Polytechnic Institute under which 220 patent applications in the field of software and business methods were evaluated by students as members of the public. Encouraged by the initial pilot, a new pilot program is now in progress by USPTO in collaboration with New York Law School covering telecommunications, speech recognition, translation, biotechnology, and bioinformatics and biopharmaceuticals fields. Other Patent Offices, namely IP Australia, UK-IPO, KIPO are also reportedly taking keen interest in this approach.

8. *Is a similar outsourcing (including employment of temporary but qualified personnel) exercise possible in case of trademarks where more than 400000 trademark applications are pending at various stages? If so, what could be the safeguards that should be put in place?*

In principle, it should be possible.

9. *What other measures can be used to improve the base of examination of applications within the framework of the existing legislation?*

CGPDTM could have international collaboration agreements with other patent offices on the pattern of Patent Prosecution Highway (PPH) pilot agreements between the UK Intellectual Property Office (UK-IPO) and USPTO and the JPO. Under such agreements, an applicant could request for accelerated examination relating to applications that were initially filed and examined at other Patent Offices, namely, JPO or USPTO in the above case.

10. *In spite of e-filing for patents etc. and streamlining of the examination process, is there a need for setting up additional offices?*

If e-filing system works efficiently to its full capacity, there should be no need for additional offices, at least in the foreseeable future.

11. *The National Institute of Intellectual Property and Management, which is housed in Nagpur, is at present under the supervision of the CGPDTM. This institute needs to be developed into a world class institution for research and training in the field of IP. Would it be better for such an institution to be directly controlled by the Ministry or should it continue as one of the offices of CGPDTM?*

This institute should also be ideally an autonomous institute with half a dozen or more branches in different parts of the country. Its mandate and scope of work should be expended to provide services and advice to SMEs as well as specialized services such as Patent Search, Analysis and Mapping, FTO, IP Audit etc. for corporate sector on commercial terms.

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12. *The recruitment of officers has been delayed inordinately by the complicated, prolonged procedures involving interdepartmental approval. What could be the options to address this problem? Should a special dispensation be sought to address this issue. If so, what could be the possible course of action?*

No comment

13. *Since Trademark registration is a quasi judicial process involving opposition cases and hearings, what can be done to address the large number of vacancies for the post of Assistant Registrar and above? If it is not possible to select new officers immediately, what can be done to remedy the situation?*

No comment

14. *Considering the importance of trademarks in India and the fact that a majority of the application are made by Indian applicants, should the size of the Registry be addressed in the XII Plan? What could be an appropriate structure?*

No comment

15. *In view of the fact that some innovations can qualify for different kinds of IPRs, would it be better to have a single window at the front end for applicants for all kind of IPRs while the specific IPR issues could be handled by different offices at the back-end ?*

It may be worthwhile to set up single window Clinics to accept applications for any kind of IPR at centralized locations on experimental basis initially. In the event of different constituent offices of IP system getting independent status, such clinics may be jointly funded.

16. *Any other views on the subject.*

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Stakeholders may post their responses on the DIPP website or email them to sk.lal@nic.in or chandni.raina@nic.in or dv.prasad@nic.in positively by 30th November, 2011.



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