The protection of the Intellectual Property is important not only for promoting innovation and creativity, but also for developing employment and improving competitiveness. The protection of intellectual property should allow the inventor or creator to derive a legitimate profit from his invention or creation. However, without effective means of enforcing intellectual property rights, innovation and creativity are discouraged and investment diminished. It is therefore necessary to ensure that the substantive law on intellectual property, which is nowadays largely part of the *acquis communautaire*,\(^1\) is applied effectively in the community.\(^2\) The scope of the intellectual property is very wide it has been spread over the world.

Intellectual property right exists primarily by virtue of national laws. So-called global intellectual property rights are a bundle of nationally enforceable rights. However, it is true to say that in most countries, those national rights exist not only as a consequence of domestic legislation or jurisprudence, but also because of international, multinational, bilateral and regional obligations. In a number of regional associations, such as the European Union, there is the possibility of regional legislation either with direct national effect, or which prescribes national intellectual property norms. International intellectual property law plays an important role in harmonizing national substantive and procedural rules. This is particularly the case with the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights, which prescribes domestically enforceable norms for the protection of intellectual property rights as a condition of membership of the WTO.\(^3\) Intellectual property rights are national, introduced by the States for domestic purposes and usually territorial in their ambit, the

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1. The total body of European Union law accumulated so far.
shape of national right is much affected by multilateral obligations. Two distinctions can be made between these agreements. First, these are those that dictate, at least to a minimum standard, the content of substantive national law and those that set out combined procedures for multiple applications for protection in more than one State. Secondly, a distinction can be drawn between those agreements of international scope and those of regional significance. One perceived weakness of the Conventions is the lack of redress against Member States which do not comply. The State party to the Conventions administered by WIPO can refer disputes to the international Court of Justice. This involved process has not yet been invoked, despite allegations of non-compliance having been made.4

The purposes for which intellectual property rights are being utilized and the role they play in an industry and trade today, brought them to the forefront in all plans of economic, social and cultural development in the modern world. Promotion and protection of the rights in intellectual property and their enforcement have contributed greatly to the industrial development in every state. Intellectual property right opened new horizons in all fields of human activity, helped inventions, promoted technologies, multiplied production of goods, globalised market and spread better living standards across the world. As knowledge spreads, not only transfer of technology became easier but also the infringement of the same.5 Hence, the need to protect the intellectual property arises.

During the past five decades, the world has undergone a great transformation in the history of intellectual property and international trade. The importance of human intelligence and intellectual property was realized after the industrial revolution after the World War II. The industrialized countries took initiative for the organization of an international trade body with the GATT. In the subsequent negotiations also the issue of intellectual property pushed in the agenda of negotiations. The establishment of the WTO in 1995 and the inclusion of the TRIPS agreement was the realization of the long term demand of the

industrialized countries. The Uruguay Round (1986-1994) covered seven different areas of the Intellectual Property Rights i.e., patents, trademark, copyrights and related rights, industrial designs, geographical indications, integrated circuits and undisclosed information. Each area imposed minimum standards and left the domestic regimes to put appropriate standards in each country in accordance with their domestic conditions.\textsuperscript{6} Indian intellectual property laws which amended later are just to make it compatible with the international standards.

For enhancing their competitive strategies in respect of export orientation of products of creativity and innovativeness produced by intellectual property rights, it is necessary that countries both developed and developing, as well as those in transition, participate in, and adhere to, the international multilateral treaties concerned with the protection of intellectual property. The main treaties\textsuperscript{7} are:-

1. The Paris Convention for the Protection of Industrial Property concluded in 1883 which is administered by the WIPO;
2. The Berne Convention for the Protection of Literary and Artistic Works concluded in 1886, which is administered by the WIPO;
3. The TRIPs Agreement concluded on April 15, 1994, entered into force on January 1, 1995, and administered by the WTO;
4. The Lisbon Agreement for the Protection of Appellations of Origin and their International Registration concluded in 1958; and

In addition, to enable and facilitate national creators and innovators in having multi-country registration of their patents and trademarks, adherence to the subsidiary treaties to the Paris Convention, viz., the Patent Cooperation Treaty which was adopted in 1970 and entered into force in 1978, and the Madrid

Agreement Concerning the International Registration of Marks (the Madrid Union) signed in 1891 and entered into force in 1892; also the Hague Agreement Concerning the International Deposit of Industrial Designs, adopted in 1925 within the framework of the Paris Convention, is strongly recommended.8

Economic history proves that countries where intellectual property protection was ensured to all those who are diligent, hardworking and intelligent, industrial production and trade have increased manifold. Negligence and laxity in this regard rendered many societies lag behind. It is in this context the need for international conventions to control piracy of intellectual property occurring through uninhibited copying of the work of foreigners from across the borders arose. It is of interest here to note that all the advanced countries of Europe and North America commenced taking strides in economic progress only after they recognized the necessity of enforcing the laws on intellectual property rights in accordance with the following international agreements/conventions agreed by them9:-

1. In 1883, the Paris Convention for the protection of Industrial Property,
2. In 1886, the Berne Convention for the Protection of Literary and Artistic Work,
3. In 1891, the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement (1989),
4. In 1925, the Hague Agreement,
5. In 1948, the General Agreement on Tariffs and Trade,
6. In 1967, the WIPO Convention,
7. In 1970, the Patent Cooperation Treaty,
8. In 1973, the Trademark Registration Treaty,
10. In 1989, the Protocol on Madrid Agreement,

8. Ibid.
9. Supra note 5 at 2-3.
11. In 1995, the Agreement on Trade-Related Aspects of Intellectual Property Rights,


2.1 Paris Convention for the Protection of Industrial Property (1883)

On a wider international stage, it is worth mentioning briefly the importance of uniform laws and reciprocal protection. The vast majority of the world’s developed nations play a role and members of one or more of the various international conventions relating to intellectual property rights. Several of these conventions are administered by the WIPO, which is part of the United Nations. One of the most important and earliest conventions is the Paris Convention for the Protection of Industrial Property 1883, to which there are currently 173 signatories. This convention, which is updated and amended occasionally (last revised in 1979), applies to inventions, trademarks, industrial designs, indications of origin and unfair competition. It establishes basic principles for laws in individual countries and reciprocal protection, and also priority rights in respect of patents, trademarks and industrial designs.

The Paris Convention is an international convention for promoting trade among the member countries, devised to facilitate protection of industrial property simultaneously in the member countries without any loss in the priority date. All the member countries provide national treatment to all the applications from the other member countries for protection of industrial property rights. The Paris convention for the protection of Industrial property concluded in 1883, was completed by an Interpretative protocol in Madrid in the year 1891, which was revised at Brussels in 1900, at Washington in 1911, at the Hague in 1925, at London in 1934, at Lisbon in 1958 and at Stockholm in 1967 and it was amended


11. In patent, industrial design rights and trademark laws, a priority right or right of priority is a time-limited right, triggered by the first filing of an application for a patent, an industrial design or a trademark respectively.


13. The principle of giving others the same treatment as one’s own nationals.

in the year 1979. India becomes a member of the Paris Convention on Dec. 7, 1998. The convention, which is open to all states, applies to industrial property in the widest sense including inventions, marks, industrial designs, utility models, trade names, geographical indication and the repression of unfair competitions.15

In the specific context of trademark, under the Paris convention, a person applying for a trademark in India can apply for the same trademark in member countries within six months of filing in India and get the priority of the Indian application in those member countries. The earlier (Indian) application cannot be for a narrower class of goods than that specified in the subsequent applications (filed in other countries). Some might argue that the facility offered by the Convention is not significant as the prior use or publication of a trademark does not prevent obtaining a registration in other countries, as happens in the case of a patent. The common principle to be followed in case of all the forms of intellectual property right is that the application for registration should be filed as quickly as possible. If the owner doesn’t apply for the registration, someone else will apply and he will lose his right, which the owners of intellectual property rights have missed by not being careful, active, fast and vigilant. Therefore, the period of six months does provide a cushion for maintaining your priority and till that time no one else can take the benefit of registering the same trademark in those countries.

The principal features of the Paris Convention have been listed below:-

i) National treatment,

ii) Right of priority,

iii) Independence of patents,

iv) Parallel importation,

v) Protection against false indications and unfair competition.

According to the Paris Convention a convention country must treat the nationals of other signatory nations in the same way as its own national. The Paris convention stipulates that if an application for a patent is properly made in

one convention country, corresponding application may be filed in convention countries within one year of such application and in such a latter application will be benefited by the date of the first application.\textsuperscript{16}

The concept of National treatment is very important in the international trade and commerce. It is essential to follow this concept to provide equal treatment to applications from member countries, member country and not to differentiate between the nationals of your country and nationals of the other countries for the purpose of grant and保护 of industrial property in your country. \textsuperscript{16}

The right of priority, which effectively emerged with the Paris Convention, has become a backbone of the system for protecting inventions simultaneously in many countries. The date from which patent right is deemed to start is the date of filing of complete specification. To obtain rights in other countries, the application must be filed on the same day in other countries if it is desired to have the rights started from the same day. There are practical difficulties in synchronizing the activities. For simultaneous protection in member countries, the Convention provides 12 months of national filing, if patent applications are filed in those countries, the patents, if granted in member countries, will be effective from the date of national filing. This right is known as the right of priority. In order for the applicant to maintain the priority or the same date of filing in all these countries and no one else in those countries can obtain the patent for a similar/identical invention from the same or a later date.

In case the applicant after a second look at the patent application that the patent contains more than one invention or on his own accord, divide the application, he can claim the initial date of priority for some patent applications. The applicant may also, on his own initiative, divide the application and preserve as the date of each divisional application, the initial application and the benefit of the right of priority, if any. Each country shall have the right to determine the conditions under which such

shall be authorized. Priority may not be refused on the ground that certain elements of the invention for which priority is claimed do not appear among the claims formulated in the application in the country of origin, provided that the application documents as a whole, specifically disclose such elements.

Importation is considered as working of a patent, provided the patented product is manufactured in a member country and is imported into another member country, which has also granted a patent on the same invention, to the same applicant. The Convention has a provision for compulsory license.\(^{17}\) Each member country shall have the right:

i) to provide for the grant of compulsory licenses,

ii) to prevent abuses resulting from the exclusive rights conferred by the patent.

According to Article 5(4) of the Paris Convention compulsory licenses for failure to work or insufficient working of the invention may not be requested before the period of time of non-working or insufficient working has elapsed. This time limit is four years from the date of filing of the patent application or three years from the date of the grant. Such a license will be a non-exclusive and non-transferable one. It is mandatory for the member countries of the TRIPS Agreement to comply with the Article 1 to 12 and Article 19 of the Paris Convention.

Apart from the advantages mentioned above, a member country can become a member of a number of international conventions and treaties, which are open only to the members of the Paris Convention. Some of these are:\(^{18}\)

i) Patent Cooperation Treaty (PCT),

ii) Budapest Treaty (for deposition of microorganisms),

iii) UPOV (for protection of new varieties of plants),

iv) Madrid Agreement (for repression of false or deceptive indications of source on goods),

v) Madrid Protocol (concerning registration of marks),

\(^{17}\) Article 5 of the Paris Convention.

\(^{18}\) Supra note 14 at 13.
vi) Hague Agreement (concerning deposits of industrial designs).

Under the Paris Convention, a person applying for a trademark in India can apply for the same trademark in member countries within six months\(^1\) of filing in India and get the priority of the Indian application in those member countries. The earlier (Indian) application cannot be for a narrower class of goods than that specified in the subsequent applications (filed in other countries). Some might argue that the facility offered by the Convention is not significant as the prior use or publication of a trademark does not prevent obtaining a registration in other countries, as happens in the case of a patent. The common principle to be followed in case of all the forms of intellectual property right is that the application for registration should be filed as quickly as possible. If the user doesn't apply for the registration, than someone else will have the same and the owner will lose his right, only because he was not careful, active, fast and vigilant. Therefore, the period of six months does provide a cushion for maintaining your priority and till that time no one else can take the benefit of registering the same trademark in those countries.

The Paris Convention for the Protection of Industrial Property, 1883 was the first multilateral agreement, which provided protection for indications of source and appellations of origin. The kinds of industrial property to be protected by the Convention and includes, among others, ‘indications of source’ and ‘appellations of origin’\(^2\) and this means that these properties would also benefit from the principle of national treatment pursuant to Article 2 of the Convention. Sanctions have also been prescribed for falsifying indications of source. However, the protection was considered rudimentary and weak and therefore countries entered into the Madrid Agreement for the Repression of False or Deceptive indications of Source on Goods of 1891, the 1958 Lisbon Agreement for the Protection of Appellations of Origin and their International Registration and the bilateral agreements for the protection of Geographical Indications as concluded between the countries. It should be mentioned that all these agreements were entered within the broad ambit of the Paris Convention.

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19. Article 6 of the Paris Convention.
20. Id. Article 1(2).
Pursuant to Article 19, the Paris Convention does not deal with appellation of origin but covers cases of direct or indirect use of false indication of source on the goods or the identity of producer, manufacturer or merchant. Infringement of this provision results in seizure upon importation or failing that other measure according to the domestic legislation. The action may be taken not only by the public prosecutor, but also by an interested party, producers, merchants or industrialists before a competent authority. It is the aftermath effect of the Paris Convention that the Indian Legislature has amended its laws on patent, trademark and design so as to make it compatible with the Paris Convention. Presently, the Indian laws on patent, trademark and design are the best one throughout the world over.

2.2 Berne Convention for the Protection of Literary and Artistic Work (1886)

Berne is an old treaty (1886) on copyright, and even its latest text (Paris, 1971) precedes the adoption of the Vienna Convention on the Law of Treaties. The works protected by the copyright are trans-national by nature; therefore, merely protecting a work in one country is not enough. From the early 19th century, bilateral agreements began to be executed between States for international protection. A movement for international copyright developed involving the leadership, among others, of the great French author Victor Hugo, and culminated in the negotiation of the first version (or ‘Act’) of the Berne Convention for the Protection of Literary and Artistic Works on September 9, 1886.

In the earlier Acts of the Berne Convention, before the 1948 Brussels Act, there was a ‘colonial clause’ under which the ruling colonial power’s accession applied to the areas and countries that it ruled. Thus, since Britain was a member of the Berne Union from its inception, it applied to India as well. However, the Government of India acceded separately to the Rome Act of the

22. Article 10 of the Paris Convention.
23. Id. Article 9.
24. Id. Article 10 ter.
25. India become the member State to the Paris Convention on December 7, 1998.
26. Supra note 3 at 220.
Convention and India has been a separate member of the Berne Union ever since. The Berne Convention is administered by the World Intellectual Property Organisation (WIPO) having its headquarters at Geneva, which is one of the specialised agencies of the U.N.

The Berne Convention provided protection of literary and artistic works. The object was to assist the member states to obtain international protection of literary and artistic works. This convention was modified in 1896. The Berne Convention has since been revised a number of times, notably at Berlin in 1908, at Rome in 1928, at Brussels in 1948, at Stockholm in 1967, and at Paris in 1971. Some further amendments were made in 1979, but the current version of the Convention is commonly referred to as the ‘Paris Act’ of 1971. A member country may accede separately to each new ‘Act’ of the Convention as it is signed: thus it remains possible for a country to have acceded to, say, only the 1948 Brussels Act so far notwithstanding the subsequent execution of the 1971 Paris Act; but it would now be possible for a country that had not so far acceded to the Convention at all to accede only to the Paris Act 1971. Finally an interrelated agreement on Intellectual Property Rights was signed in 1994 under the WTO.²⁷

It is possible to consider and treat multimedia products as works similar to cinematographic film in the sense of section 2(f) of the Copyright Act, 1957. It seems possible to classify and to treat multimedia productions as collections of literary or artistic works in the sense of Article 2(5) of the Berne Convention and they might also fall under the category of compilations of data or other material in the sense of Article 10(2) of the TRIPS Agreement. There is also a view that multimedia work be classified as computer programme since every multimedia work will have a software component. As there are separate provisions for rights and authorship of a computer programme distinct from literary works in the Copyright Act, this could be a possible solution. However, issues may arise on the retention of separate copyrights in the works incorporated in the multimedia, in terms of Section 13 of the Act²⁸ and the rights of performers²⁹ in the product. At

²⁸. Section 13(4) of Copyright Act, 1957 provides, that the copyright in a cinematograph film or a sound recording shall not affect the separate copyright in any work in respect of
present, large numbers of multi-media works are being created by combining pre-existing works. The classification of multi-media works is an issue, which needs to be looked into in depth.

Berne is now, for better or worse, the base on which important later agreements are founded, and the way in which incorporated provisions and declaratory statements are to be interpreted are now matters of great importance to national legislators and international bodies. As India is a signatory to the Berne Convention, Indian Copyright Act, 1957 protects the work from piracy and infringement of copyright. As per the provisions of the Berne Convention the work of the member countries is protected in India. Later the Universal Copyright Convention (1952) and the TRIPS Agreement (1994) also makes the provisions for the protection of the copyright and the minimum term for which the Member State should protect the copyright work.

2.3 Madrid Agreement Concerning the International Registration of Marks (1891)

This agreement established a system of deposit for trade marks registered nationally with WIPO. Deposit leads to protection in order designated Member States after 12 months, if no objection was made in those States. The system had the major disadvantage that a central attack on the validity of a trade mark's registration in one State led to the revocation of the mark in every State designated for protection. This was so even though the mark might be unobjectionable in those other States. In addition, those States which had a detailed system of examination of validity before the registration of a mark were not given sufficient time by the 12 months period to examine the mark. The UK was not a member, nor was other important trading States. In 1989, the Madrid Protocol was signed. This allows countries which have strict examination systems...
a longer period (18 months) to object. The Trademarks Act, 1994 enabled the UK to ratify the Protocol, entering the system on 1 April, 1996.\textsuperscript{31}

The Madrid Agreement was adopted on April 14, 1891 to facilitate protection of a trademark or service mark in several countries by means of a single international registration. There are 84\textsuperscript{32} members comprising the Madrid Union of jurisdictions which have become party to the Agreement or the Protocol or both. Countries of the Madrid Agreement are mainly belonging to Europe; other countries are of Africa and four countries in the Far East namely, China, the Democratic People's Republic of Korea, Mongolia and Vietnam. The United Kingdom, the United States of America, most Latin American countries, Japan and India are not signatories to this agreement. The Agreement covers both trademarks and service marks.

The main features of the Madrid Agreement are as follows:-

i) An applicant must be a national of a member country. A person having his domicile or a real and effective industrial or commercial interest in such a country is also eligible. It may be noted that this would be governed by the national laws of the country in question.

ii) A mark to be registered in member states should be first registered at the national level in the country of origin of the applicant. The first registration is called 'basic registration'.

iii) The country having given the basic registration can only transmit the request for international filing to the International Bureau of the World Intellectual Property Organization (WIPO) along with the list of the countries in which protection is being sought. There is no provision for directly filing a request under the Agreement.

iv) It may be iterated that the country of origin has to be a member state. The role of the office of the country of origin is not only to send the application for international registration but also to certify that the mark, which is the

\textsuperscript{31} Supra note 4 at 11.
subject of the international registration, is the same mark that is the subject of the basic registration.

v) For each application, a fee has to be paid for each designated country and WIPO. The fees paid for the designated countries are called the 'complementary fee'.

vi) The International Bureau notifies the international registration to the offices of the designated countries and publishes it in a monthly periodical called 'The WIPO Gazette of International Marks'.

If, during the first five years the basic registration is for some reason, cancelled in the country of origin, the international registration automatically stands cancelled in all the designated countries. This gives an advantage to a person to oppose the registration of a mark only in the country of origin and without the need to oppose it in all the designated countries. This possibility of challenging an international registration through a national registration is referred to as 'Central Attack' feature of the Agreement.33

India is presently not a member of the Madrid Agreement. As the economy opens up and Indian companies start expanding their presence in foreign countries, India might also become a member. The agreement provides that a company from a member country can register his trademark in his own country and then can acquire the right in all signatory states by depositing the registration at an International Office in Berne. Once this is done the mark is valid in all those countries unless there is some conflicting mark on the register of one or more of those countries. The mark will however be valid in all the remaining countries. It may be clearly understood that the Madrid Agreement does not provide for a world trademark; it merely eliminates the need for filing multiple applications in Member countries to acquire a series of national trademarks. Obviously, India cannot take advantage of this Agreement as she is not yet a member of the Agreement.

33. Supra note 14 at 32-33.
2.4 Hague Agreement on Industrial Designs (1925)

The Hague Agreement concerning the International Deposit of Industrial Designs first came into existence in 1925. The Agreement aims at providing a mechanism for securing protection of an industrial design in all the member countries by means of an international deposit. The international deposit could be in the form of the industrial product or drawing or photograph or any other graphic representation of the said design. The duration of protection was 15 years from the date of deposit, this divided in two periods namely, one period of five years and the other of ten years. This Agreement is now being implemented by the WIPO.

A Diplomatic Conference was held in June and July 1999 to bring some amendments in the Hague Agreement. The revised agreement will come into effect after it has been ratified by six of the initial signatory nations to the Agreement. The idea is to provide a way through which a single design application can give rights of protection for that design in member countries. The international design application must designate countries where protection will be sought. The designated countries can refuse to award design rights, if the application does not meet the requirements of national laws. The Agreement does not lay down any particular standards for registerability of the design, leaving this to national laws. Once registered, the international registration will have the same effect as a national design registration in those designated countries that have not refused grant for national registration. The other main features of the revised agreement/treaty are:-

i) International design protection will be available to nationals of a contracting country, domiciled in a contracting country or have industrial or commercial establishment in a contracting state.

ii) An international design application may be filed either at the applicant's national office or directly with the International Bureau of WIPO.

iii) The two-dimensional designs (textile designs) would be eligible for protection.
iv) A formalities examination will be carried out by the International Bureau and the application will be published if it is found to satisfy the formalities. The publication will be made six months after the registration. This can be deferred to 30 months in some special cases.

v) The International Bureau will, after the registration, send a copy of the application to each of the designated countries. These countries have to inform the Bureau within six months if the national requirements are not met. However, for countries that examine design applications for novelty or where opposition system exists, this time is increased to 12 months.

vi) Multiple designs may be included in the same application. It required that all products to which such designs relate must be in the same class under the Locarno classification.

Presently there are 55 Contracting Parties to the Hague Agreement. India is not yet a member of the Hague Agreement and hence the above provisions or description may not be of immediate relevance to us. However, there is a strong need to monitor the developments in this area.34 The provisions in the Hague Agreement are similar to those in the Patent Cooperation Treaty which is related to the patents.

2.5 General Agreement on Tariffs and Trade (1948)

The General Agreement on Tariffs and Trade (GATT) originated after the World War II (1939-45). The Agreement was originally a part of a draft charter for an International Trade Organization (ITO), the third leg of the Bretton-Woods post-war order along with the IMT and the World Bank. The "Havana Charter" of the International Trade Organization contained the GATT, which governed trade, and also wide-ranging rules relating to employment, commodity agreements, restrictive business practices, international investment and services. GATT was signed by 23 nations at a trade conference in 1947 and became effective on January 1948. The International Trade Organization failed to win ratification by the US Congress in 1950.35

34. Id. at 30-31.
35. Supra note 15.
Protection of intellectual property rights in international trade law are essentially the concern of WIPO and various international conventions and agreements and as such did not find place in GATT 1947. However, the GATT remained in use to govern international trade till 1994 when it was replaced by WTO. GATT had eight “rounds” of negotiation which reduced tariffs and struggled to produce rules to govern international trade. The last round of negotiations, called the Uruguay Round, began in 1986 and ended in 1994. The Uruguay Round of negotiations took steps toward opening trade in investments and services among contracting states and strengthening protection for intellectual property the legally protectable creative works. The Uruguay Round also provided for the establishment of the WTO which replaced the GATT. The Uruguay Round took seven and a half years, almost twice the original schedule. By the end, 128 countries were taking part. It covered almost all trade, from toothbrushes to pleasure boats, from banking to telecommunications, from the genes of wild rice to AIDS treatments. It was quite simply the largest trade negotiation ever, and most probably the largest negotiation of any kind in history. The 1994 GATT Treaty was one of the most ambitious agreements to be signed by such a large number of States.

One of the most significant developments of the Uruguay Round (1986-94) was the inclusion of TRIPS issue on the agenda of the multilateral trading system. After intense negations, the eighth round of the multilateral trade negotiations was launched at a special ministerial session of the contracting parties to the GATT at Punta del Este in September 1986 and TRIPS was one of its negotiating topics. The Uruguay Round negotiations resulted in WTO TRIPS Agreement which came into force on 1 January, 1995, with the purpose to “contribute to the promotion of technological innovation and to transfer and dissemination of technology, to the mutual advantage of producers and users of

37. Supra note 15.
technological knowledge and in a manner conducive to social and economic welfare.\textsuperscript{41}

The GATT was setup to deal with multilateral trade issues. The TRIPS was adopted as an integral part of the final Act of the Uruguay Round, so that all countries which ratify the new text of GATT and become members of WTO must accept the provisions of TRIPS as part of the deal. The TRIPS Agreement covers a whole range of intellectual property issues including patents, trademark, Geographical Indication, Industrial Design, integrated circuits, copyright and trade secret protection, as well as general provisions about basic principles, enforcement, and dispute resolution.\textsuperscript{42} GATT is a multilateral body which lays down code of conduct in the area of international trade and acts as a forum for holding negotiations and consultations to resolve trade problems and reduce trade barriers. It is a largely voluntary and provisional international organization. The trade accords reached by Ministers at GATT are subject to final approval by their respective governments. In other words, it can be said that GATT is a contractual agreement among countries, which provides a general framework for discipline on tariffs and non-tariffs measures, for example, import control, subsidy, etc., in which planning is made, for the development of the world trade, for removing the difficulties and hindrances in the world trade and for preparing effective programme to reduce the tariffs. GATT is amongst the notable post World-war achievements, under which different countries meet time and negotiable bilaterally concerning the issue of tariff reduction for the benefit of all countries.\textsuperscript{43}

The Ministerial Declaration referred to Trade Related Aspects of Intellectual Rights, including trade in counterfeit goods and set down the following mandate for negotiation that in order to reduce the distortions and impediments to international trade, and taking into account the need to promote effective and adequate protection of Intellectual property rights and to ensure that measures and procedures to enforce Intellectual property rights do not themselves become barriers to legitimate trade, the negotiations shall aim to clarify GATT provisions

\begin{itemize}
\item \textsuperscript{41} Supra note 36.
\item \textsuperscript{42} Supra note 40.
\item \textsuperscript{43} Vikas Vashisht, Law and Practice of Intellectual Property in India (2006) at 1354-1355.
\end{itemize}
and elaborate as appropriate new rules and disciplines. Negotiations shall aim to
develop a multilateral framework of disciplines. Negotiations shall aim to develop
a multilateral framework of principles, rules and disciplines dealing with
international trade in counterfeit goods, taking into account work already
undertaken in the GATT.\textsuperscript{44} It has a self contained code for dispute settlement with
powers to enforce the rulings of its Dispute Settlement Body through recovery of
damages or enforcing trade sanctions by withdrawal of concessions otherwise
available to erring member under the treaty. It is only after exhausting all the
mandatory procedures for disputes settlement contained in GATT, the aggrieved
parties may approach the World Court.\textsuperscript{45}

India was one of the 128\textsuperscript{46} countries that signed the General Agreement
on Tariffs and Trade, 1994 which was later on converted into a formal
international organization which is popularly called W.T.O. In fact GATT, 1994
which emerged as the WTO in 1995 is designed as a full-bodied institutional
structure of International trade. The GATT 1994 includes four new agreements
which are:\textsuperscript{47}

i) The Agreement on Agriculture (AoA).

ii) The Agreement on Trade-Related Investment Measures (TRIMs).

iii) The General Agreement on Trade in Services (GATS).

iv) The Agreement on Trade-Related Aspects of Intellectual Property Rights
(TRIPS).

The Agreement on Agriculture is an international treaty of the World Trade
Organization. It was negotiated during the Uruguay Round of the General
Agreement on Tariffs and Trade, and entered into force with the establishment of
the WTO on 1\textsuperscript{st} Jan., 1995. The Agreement on Agriculture has based on three
central concepts, or "pillars": domestic support, market access and export

\textsuperscript{45. } \textit{Supra} note 5 at 4.
\textsuperscript{46. } It contains the 128 GATT signatories as at the end of 1994, presently 153 States has
signed the GATT. \textit{The World Trade Organization}, as quoted from
http://www.wto.org/English/thewto_e/whatis_e/tif_e/org6_e.htm site visited on 20 Feb.,
2009.
\textsuperscript{47. } \textit{Supra} note 16 at 83-84.
subsidies. The Agreement on Trade-Related Investment Measures is aimed to promote the expansion and progressive liberalisation of world trade and to facilitate investment across international frontiers so as to increase the economic growth of all trading partners, particularly developing country Members, while ensuring free competition. The General Agreement on Trade in Services was created to extend the multilateral trading system to services, in the same way the General Agreement on Tariffs and Trade (GATT) provides such a system for merchandise trade. The Agreement on Trade-Related Aspects of Intellectual Property Rights deals with the protection of the intellectual property right which provides the minimum standards of protection and the enforcement provisions.

2.6 World Intellectual Property Organization (1967)

The World Intellectual Property Organization (WIPO) also administers, inter alia, the Berne Copyright Convention and the Madrid System for the international registration of trademarks. The UK has recently ratified a protocol to this latter agreement. Another important convention on copyright law is the Universal Copyright Convention. Most countries belong to one or both of the copyright conventions and in excess of 130 countries are members of the Patent Co-operation Treaty which provides a streamlined method of obtaining a patent internationally.

"The Convention Establishing the World Intellectual Property Organization" was signed at Stockholm in the year 1967 and entered into force in 1970. It is one of the specialised agencies of the United Nations (UN) system of organizations. Member countries of such Union follow certain common rules, standards and practices. The 'Unions' founded on the multilateral treaties in the various fields of intellectual property are administered by the WIPO. The WIPO also provides a framework and the services necessary for revising these treaties and establishing new ones. In *Satyam Infoway Ltd* v. *Siffynet Solutions Pvt.*

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51. *Supra* note 12.
52. *Supra* note 15.
The Apex Court explains, "India is one of the 171 States of the world which are members of the WIPO. The WIPO was established as a vehicle for promoting the protection, dissemination and the use of intellectual property throughout the world." The major functions of WIPO are:-

i) Registration activities,

ii) Promotion of intergovernmental cooperation, and

iii) Substantive or programme activities.

The registration activities of the WIPO are concerned with the receiving and the processing of international applications under the Patent Cooperation Treaty (PCT) or for the International Registration of Marks or deposit of industrial designs. Inter-governmental cooperation's in the administration of intellectual property are concerned with the following functions:-

i) Collection of patent documents used for search and reference and devising means of easier access of the information contained in the patent documents,

ii) The maintenance and updation of international classification systems,

iii) The compilation of more and more sophisticated statistics,

iv) Regional surveys of industrial property and administration of Copyright Laws.

The WIPO has its headquarters at Geneva. It has four different organs i.e., the General Assembly, the Conference, the Coordination Committee and the International Bureau of WIPO. The General Assembly, is the supreme organ of the WIPO, it consists of all the States which are members of the WIPO and are also members of any of the Unions. Its important functions are:-

i) The appointment of the Director General upon nomination by the Coordination Committee.

ii) The reviewing and approving reports of the Coordination Committee as well as the reports of the Director General concerning WIPO.

53. JT 2004 (5) SC 541.
54. Supra note 15.
iii) The adoption of the financial regulation of the WIPO and biennial budget of the expenses common to the Unions.

iv) The approval of the measures proposed by the Director General for administering the international agreements designed to promote the protection of intellectual property.

v) The Coordination Committee acts both as an advisory organ on questions of general interest and as an executive organ of the General Assembly and the Conference.

Like in any other specialized agency of the United Nations only States can be members of the WIPO. The membership is open to any State which is a member of any of the Unions and to any State which is not a member of any of the Unions provided that it is a member of United Nations or the International Atomic Energy Agency or is a party to Statute of the International Court of Justice. The General Assembly of the WIPO can also invite any State to become a member of the WIPO.55

In 1974, WIPO became a specialized agency of the United Nation system of Organization, with a mandate to administer intellectual property matters recognized by the member States of UN. WIPO expanded its role and further demonstrated the importance of intellectual property rights in the management of globalized trade in 1996 by entering into a cooperation agreement with the WTO. Today its successor, WIPO, administered 24 treaties56 (three of those jointly with other international organizations) and carries out a rich and varied program of work, through its member States and secretariat that seeks to:-

i) Harmonize national intellectual property legislation and procedures,

ii) Provide services for the international applications for industrial property rights,

55. Ibid.
iii) Exchange intellectual property information,
iv) Provide legal and technical assistance to developing and other countries,
v) Facilitate the resolution of private intellectual property disputes, and
vi) Marshal information technology as a tool for storing, accessing, and using valuable intellectual property information.

The new WIPO Copyright Treaty (WCT) and WIPO Performance and Phonograms Treaty (WPTT), obligate countries to make illegal the acts of circumvention as well as the manufacture, importation and trafficking in these circumvention devices. These laws will become critical components in the fight against on-line piracy. They must be incorporated into domestic law and enforced through imposition of meaningful sanctions, including criminal penalty for violation. The main aim of WIPO is the promotion of inventive and creative activity so as to contribute to the economic and social progress whilst providing improved protection and commercialization of intellectual property in the international marketplace.


The Patent Cooperation Treaty (PCT) is a multilateral treaty completed on June 19, 1970 and came into force in 1978. Through PCT, an inventor of a member country of PCT can simultaneously obtain priority for his/her invention in all/any of the member countries, without having to file a separate application in the countries of interest, by designating them in the PCT application. India joined the PCT on December 7, 1998. All activities related to PCT are coordinated by the World Intellectual Property Organization (WIPO) situated in Geneva. In order to protect the invention in other countries, the applicants are required to file an independent patent application in each country of interest; in some cases, within

a stipulated time to obtain priority in these countries. This would entail a large investment, within a short time, to meet costs towards filing fees, translation, attorney charges etc. In addition the owners or proprietors are making an assumption which, due to the short time available for making the decision on whether to file a patent application in a country or not, may not be well founded.60

Inventors of Contracting States of PCT on the other hand can simultaneously obtain priority for their inventions without having to file separate application in the countries of interest; thus saving the initial investments towards filing fees, translation etc. In addition the system provides much longer time for filing patent application in member countries. The time available under Paris Convention for securing priority in other countries is 12 months from the date of initial filing. Under the PCT, the time available could be as much as minimum 20 and maximum 31 months. Further, an inventor is also benefited by the search report prepared under the PCT system to be sure that the claimed invention is noble. The inventor could also opt for preliminary examination before filing in other countries to be doubly sure about the patentability of the invention.

The patent office or any other office designated by each contracting state becomes a receiving office for receiving patent applications. These applications are referred to International Searching Authorities (ISA) which usually is the patent officers, appointed to carry out the patent search on a global basis. In case the receiving office is also an International Searching Authorities, a separate referral is not required. There is also a provision to get a patent application examined by international preliminary Examining Authorities which, in most cases are International Searching Authorities.61

A search report on the patent application filed with a receiving office is received by the applicant/inventor 16 months after the priority date62 which is nothing but the date of submitting the application in the receiving office. The International Bureau of the WIPO publishes the application and the search report 18 months after the priority date. The original application is then sent to the

60. Supra note 14 at 14-15.
61. Ibid.
62. In patent law, when a priority is validly claimed, the date of filing of the first application, called the priority date.
designated offices indicated in the application. Within two months of this i.e. by the 20th month, the applicant will have to formally apply to the patent offices of these countries for grant of patents by paying official fees and completing other formalities stipulated by these offices (some countries). In case translated copies of the application are required, the same has to be furnished by the applicant. Inspect of submitting the request for grant of patents in designated countries in the 20th month after the priority date, the priority in these countries is the same as the date of filing the original PCT application.

If applicant/inventor has requested for an examination report, the report is usually received by the applicant /inventor about 28 months after the priority date. Within two months of this, the applicant/inventor will have to formally apply for grant of patents in designated countries. The priority of the application is maintained in the designated countries.63

The benefit of the delayed processing:-

i) By the end of the 20th to 31st month the applicant is in a better position to assess the quality of the invention being protected as a detailed search report or an examination report or both would be available to help making an assessment.

ii) Applicants can re-evaluate their decision about filing applications in all the designated countries after a long gap of 20 to 31 months.

iii) If not satisfied, applicants may decide to drop a few countries from the list. This decision would also be influenced by the changing market conditions.

iv) Applicants can delay their investment in respect of the national phase or the regional phase applications by 20 to 31 months without sacrificing priority.

An international application can be filed in any of the Branch Offices of the Patent Office located at New Delhi, Chennai, Mumbai and Kolkata (Head Office). Any of these Offices shall function as receiving office, designated office and elected office for the purpose of international applications filed under the Treaty.

63. Supra note 14 at 14-15.
An international application shall be filed in the Patent Office which would process the application in accordance with these rules and the provision under the PCT.\(^{64}\)

The Patent Co-operation Treaty provides the great advantage of a centralised start to the process of applying for a patent. One application can be made for patents in any designated Member State. While the application is subsequently transmitted to national patent office for the actual granting (or refusal) of a patent, the system reduces patenting costs. The first application provides the important priority date and enables the applicant to defer the decision about the State or States within which he will seek protection. It is administered by WIPO.\(^ {65}\)

The Patent Co-operation Treaty has provided the facility of filing a single application known as International Patent Application in a given Patent office. This international application enjoys priority over national, regional or PCT applications filed earlier provided the former is filed within twelve months period as provided by the Paris Convention.\(^ {66}\) An international application designating India shall be treated as an application for patent under the Act.

**Cost of filing a PCT Application**

**Schedule of Fees** (For filing with the International Bureau directly)

<table>
<thead>
<tr>
<th>1. Transmittal fees</th>
<th>Rs. 8000 for a legal entity and Rs. 2,000 for individuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. International filing fee</td>
<td>US $ 1134</td>
</tr>
<tr>
<td>3. Fee per sheet over 30 sheets</td>
<td>US $ 12</td>
</tr>
<tr>
<td>4. Search Fee</td>
<td>US $ 182 to US $ 1000 depending on the International Search Authority selected by the applicant.</td>
</tr>
</tbody>
</table>

**Source:** Patent Facilitating Centre, Department of Science and Technology (2005)

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64. *Id.* at 16-17.
65. *Supra* note 4 at 10.
66. *Supra* note 16.
All fees payable are reduced by 75% for applications filed by any applicant who resides in a PCT Contracting State where the per capita national income is below 3000 US dollars. If there are several applicants, each must satisfy the criterion. It may be noted that no concessions are available in the national phase or regional phase applications; respective fees in these phases will have to be paid by the applicant. All types of fees are payable at the receiving office and it is the responsibility of the receiving office to remit the search fees to the concerned office if the receiving office is not the search authority. Similarly, all other charges, due to other agencies, would be remitted by the receiving office. The fees are payable in the currency acceptable to the receiving office. As an Indian the owner can pay all the fees in Indian rupees. The PCT is the cooperation treaty between the member States regarding the grant of the patent to the first and true owner or inventor. It facilitates and accelerates access by the public to the technical information contained in documents describing new inventions which contribute to the progress of science and technology.

2.8 Trademark Registration Treaty (1973)

This treaty is administered by the World Intellectual Property Organization (WIPO) and aims at acquisition of trademark protection in a number of countries through a single application filed in a central office in the WIPO. There is no need to file the application first in the national office in the home state. The treaty came into force in 1973 when it was signed in 1973 in Vienna. In fact many advanced countries having strong trademark laws are not members of this treaty.

A trademark application will be judged by the following three criteria:

i) It must be distinctive.

ii) It must not be descriptive of the product.

iii) It must be different from other trademarks.

Apart from the legal factors, it is also necessary to keep commercial aspects in mind. A trademark is a valuable asset and expenses on creating and registering a trademark should not be a restricting factor. Most importantly,

67. Supra note 14 at 17.
68. Ibid.
trademark should be distinctive and this distinctiveness can be established by keeping certain records. The date of the first use of the trademark, and of the goods and services covered by it, should be recorded. Have a complete list of the areas where the trademark has been used or where it is known to the public. Have a record of gross turnover of goods and services sold under the trademark. Amount of money spent on making the trademark known to the public through TV, newspapers, periodicals, advertisements, use of the trademark on letterheads, invoices etc or any other media should be in your records. 69

Basically, to have a trademark is not an easy task because it not only fulfills the legal requirement of that country but it should not violate the commercial right of any other person.

All intellectual property rights, except copyrights, are such that they have to be renewed from time to time to keep them effective. This is usually done by paying the official fees to the Trademark Office as prescribed in the law. The fees will vary from one national office to the other. If the owner/proprietor does not renew his mark he can lose it forever. In India, the registration has to be renewed after 10 years. A mark can be removed from the register of trademarks, if the owner fails to use it. If it is not used for a period of 5 years after its registration, any one can bring a case for cancellation of the trademark on account of non-use.

A trademark, if not cautiously used, may become generic in nature meaning thereby that the trademark becomes a word normally used for the type of an article concerned rather than the particular brand or source of manufacture. 'Xerox' was a trademark obtained by Rank Xerox for its photocopying machines. However, over a period of time Xeroxing became synonymous with photocopying and the word xeroxing has been used in place of photocopying. As the company did not take any precaution to ensure that its trademark does not become a generic name i.e., is not used for photocopying, the company lost its trademark.

There are other reported case laws in this aspect. Other examples of a similar nature would be related to nylon and linoleum, which were well known

trademarks before they became a household name. The concerned companies failed to retain them as their trademarks.

To avoid their trademark becoming a generic name the term should be used as an adjective and never a noun. Should not play around with their trademark so as to make it a verb. Owner may coin a convenient short trade name as well as a short generic name and they should both appear together in all advertisements and labelling of the product so that there is no temptation in the public mind to use one word as a substitute for the other. Keep a good watch over the usage of your trademark. Owner should possibly think of educating people through media. If some wrong use is observed, owner should take steps to stop the use. Owner or proprietor can also use a special type of lettering for the trademark. Use your staff as your policemen to find wrong use of the mark. By using their mark on your letterhead, trade literature etc. in exactly the same form in which they are registered.

It may so happen that other companies start using similar trade names or may even register them which would ultimately dilute the importance of owner trade name. As a company owner should have a policy and method to locate use of similar trademarks or infringement of the trademark and to challenge them when any attempt is made to register them. Owner should preserve their registration in as wide a range of classes as possible. Design of the mark can be an important factor. If a trademark design is very complicated with many distinct elements, it may be vulnerable to dilution through use of other marks which omit certain details.

It is quite straight forward to arrive at the decision on whether a trademark is a copy of some other trademark, or not. The decision will largely depend on the visual inputs which can be quickly understood and used for establishing the distinguishing features. The main thing look into account is whether the general public will differentiate between the two marks or not. However, the process of determining that started using the trademark first and whether a trademark is a common law trademark or registered trademark would consume some time in decision making, although this question could be settled by producing documentary evidence. The dispute of similar/copied trademark can be on one of the following grounds that whether:-
i) the mark is a registered mark;

ii) the mark is at the application stage;

iii) you have similar trademark;

iv) your trademarks are registered for the class of goods or services in question;

v) you have planned to use the trademark in the near future.

The action against a similar trademark should be brought to the court as soon as possible. In case the user/owner does not act fast, the defendant can generate some evidence under the common law, which may be more beneficial to the defendant.70 India is not yet a member of this treaty, but this will not affect the Indian Trademarks protection as this is not the only convention to deal with the trademarks. The other treaties to deal with the trademarks are TRIPS (Part II of the TRIPS Agreement provides the specific protection with regard to the trademarks) and Paris Convention of which India is the member State.


The Budapest Treaty on the International Recognition of the Deposit of Micro-organism for the Purposes of Patent Protection" was signed on April 28, 1977.71 The Treaty, which was subsequently amended on September 26, 1980, which provides for the deposit of micro-organisms in an International Depository Authority. The Treaty calls as the "international depository authority" is a scientific institution capable of collecting micro-organisms. A deposit would require to meet the descriptive requirements of patent legislation governing invention involving a micro-organism or the use of a micro-organism. Any deposit can be accessed by for the purpose of testing and experimenting and for commercial use when the patent expires. Only those countries which are the members of the Paris convention are qualified for becoming members of the Budapest Treaty.72 As India is the member of Paris convention, hence it becomes the member of the

70. Id. at 28.
72. Supra note 15.
Budapest Treaty on December 17, 2001. Presently there are 72 Contracting Parties to the Budapest Treaty.

This is an international convention governing the recognition of deposits in officially approved culture collections for the purpose of patent applications in any country that is a party to it. Because of the difficulties and on occasion of virtual impossibility of reproducing a micro-organism from a description of it in a patent specification, it is essential to deposit a strain in a culture collection center for testing and examination by others. Concerns inventions that are, or relate to, micro-organisms, and provides a solution to the problem of sufficiency of description of inventions concerning microorganisms by permitting a “deposit” with an “International Depositary Authority” to be recognized by contracting countries for the purposes of a patent application in that country.

An inventor is required to deposit the strain of a microorganism in a recognized depository, which assigns a registration number to the deposited microorganism. This number needs to be quoted in the patent application. Obviously a strain of microorganism is required to be deposited before filing a patent application. It may be observed that this mechanism obviates the need of describing a microorganism in the patent application. Further, samples of strains can be obtained from the depository for further working on the patent. There are many international depositories in many countries, which are recognized under the Budapest Treaty.

The main advantages of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure are:-

i) The Treaty is primarily advantageous to the depositor who is an applicant for patents in several countries. It will save him money because, instead of depositing the microorganism in each and every country in which he files a patent application referring to that microorganism, he can deposit it only once, with one depositary, with the consequence that in all but one of the

74. Supra note 69 at 18.
countries in which he seeks protection he will save the fees and costs that deposits would have otherwise entailed. In most cases, there will be at least one international depositary authority in the country of the depositor, which means that he will deal with an authority which is close to him, with which he can deal in his own language, to which he can pay the fees in his own currency and which he may even know from personal experience.

ii) The security of the depositor is increased by the fact that, for an institution to become an international depositary authority, solemn assurances as to the seriousness and continued existence of that institution must be given; such assurances must be given by a State or by an intergovernmental industrial property organization and they are addressed to all the member States of the Budapest Union. Consequently, it may be expected that the assurances will be strictly respected, all the more so since, if they are not so respected, the member States may take away from the defaulting institution the status of international depositary authority.

iii) Finally, it is to be noted that adherence to the Treaty entails no financial burden or obligation for any Government.

The Indian Patent Act does not allow patenting of microorganisms isolated from nature. However, genetically modified microorganisms are patentable. Microbiological processes are also patentable. The main aim was to transform the complementary research collections, of a rather scientific interest, into a consortium of coordinated collections more open to the needs of the professionals, in science and industry, dealing with R&D problems and matters related to microbiology, in fields as varied as health, agriculture, education, food, chemistry, energy and the environment.


The Madrid Protocol was formed to remove some of the features of the Madrid Agreement, which posed obstacles to accession by several countries. The Madrid Protocol, administered by the International Bureau of the WIPO, a specialized agency of the UN, was adopted on 27 June, 1989. Presently there

75. Ibid.
are 78 Contracting Parties to the Protocol. The Madrid Protocol is a simple, facilitative and non-cost-effective system for international registration of trademark. It enables the member countries of the Protocol to obtain protection of trademark within the prescribed period of 18 months by filing a single application with one fee and in one language in their country of origin, which in turn is transmitted to the other designated counties through the International Bureau. The Protocol, which entered into force on 1st Dec., 1995, retains the basic features of the Madrid Agreement. These features are:-

i) For an international registration, it is essential to first register a mark at the national level. The time required for obtaining a mark at the national level varies from country to country. Hence some parties do suffer.

ii) Within one year, a designated member country has to examine and issue a notice of refusal by giving all the grounds for refusal. The period was considered short.

iii) A uniform fee is paid for the designation of a member country. This was found to be inappropriate for countries with high level of national fees.

iv) An international registration is linked to the basic registration during the initial five years and the former gets cancelled if later is cancelled. The fact that grounds under which a mark is cancelled in the country of origin need not necessarily exist in every other designated country is overlooked.

v) The only working language of the Madrid Agreement is French.

The innovations introduced by the Madrid Protocol are:-

i) An international application need not necessarily be based on a registration made by the Office of Origin but can also be based on an application filed with the Office of Origin. This makes it convenient for countries with full examination system, where the national registration takes time. It also makes it possible to claim the right of priority of six months under the Paris Convention.

77. Supra note 69 at 26.
ii) A Contracting Party can receive the fee under the existing Madrid Treaty system through its share in the international fees collected: for each designation made as in the Madrid Treaty. Alternatively, the member country can choose "Individual fee" system for each designation made, which should be an amount, not more than the national fee for a ten-year registration. The "Individual fee" system makes an attractive proposition for countries with high level of national fees.

iii) It is possible to transform an international registration into national or regional application in the designated Contracting Parties, if the basic registration is cancelled for some reasons, as in the case of "Central Attack".

iv) An applicant may choose to base an international registration in any of the Contracting States with which he has connection through nationality, domicile or establishment.78

At present, a person desirous of obtaining registration of his trademark in other countries has to make separate applications in different languages and pay different fees in the respective countries. There is no provision under the trademark Act, 1999 to facilitate Indian national as well as foreign nationals to secure simultaneous protection to trademarks in other countries. The Madrid Protocol, administered by the International Bureau of the World Intellectual Property Organisation, a specialized agency of the United Nations, was adopted in 1989. The Madrid Protocol is a simple, facilitative and non cost-effective system for international registration of trademarks. It enables the nationals of the member countries of the Protocol to obtain protection of trademark within the prescribed period of 18 months by filing a single application with one fee and in one language in their country of origin, which in turn is transmitted to the other designated countries through the International Bureau.

The Madrid Agreement further obliges member countries to protect indications of source against false and misleading use and lays down that that such goods bearing false and misleading indications of use must be seized on importation by the contracting states. At present a person desirous of obtaining registration of his trademark in other countries has to make separate applications

78. Supra note 14 at 34-35.
in different languages and pay different fee in their respective countries. There is no provision under the Trademark Act, 1999 to facilitate Indian National as well as foreign national to secure simultaneous protection to trademark in other countries, but the Trademarks Amendment Bill, 2007 which was passed by the Lok Sabha on 25 Feb., 2009 makes it compatible to the Madrid Protocol. Under the Trademarks Amendment Bill 2007 Chapter-IVA has been inserted which deals with the special provisions relating to protection of trade marks through International Registration under the Madrid Protocol. The accession to the Madrid Protocol is a step in the right direction for India in as much as it will be beneficial to the Indian companies and foreign companies seeking to register in India. It would also streamline the functioning of the office of the Registrar of Trademarks and will ensure that the system becomes more transparent.

2.11 Agreement on Trade-Related Aspects of Intellectual Property Rights (1995)

The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) which is binding on all the WTO members entered into force on January 1, 1995. The Agreement is based on the negotiations held during the Uruguay Round of multilateral trade negotiations on aspects of intellectual property rights which has the direct impact on international trade. The Uruguay Round of negotiations was concluded on 15th Dec., 1993. The TRIPS Agreement is contained in an Annex to the WTO Agreement establishing the World Trade Organisation (WTO), which began to work on 1st Jan., 1995. The TRIPS Agreement is often described as one of the three 'Pillars' of the WTO the other two are trade in goods and trade in services. The TRIPS Agreement makes protection of intellectual property rights as an integral part of the multilateral trading system as embodied in the WTO.\textsuperscript{79}

The TRIPS Agreement is the result of seven years of negotiations from September 1986 to December 1993, as part of the Uruguay Round of Multilateral Trade Negotiations of the GATT. These negotiations were launched at Punta del Este, Uruguay and formerly concluded in April 1994 at Marrakesh, Morocco, along with the other negotiations of the Uruguay Round. TRIPS came into force .

\textsuperscript{79} Supra note 15.
on the first day of 1995, with the establishment of the WTO. The whole idea of intellectual property rights so far incorporated in the TRIPS Agreement has been comprehended in the four multilateral Conventions, viz:-

i) The Rome Convention, 1961,

ii) The Paris Convention, 1967,

iii) The Berne Convention, 1971, and


Every signatory country of the WTO, even if it is not a member of either of the said Conventions is bound to follow intellectual property rights obligations. The TRIPS Agreement, 1994 establishes a minimum level of harmonized intellectual property law to be adopted by all members of the World Trade Organisation. The Least developed countries have been giving an extended period in which they have to make the necessary changes in their legislation so as to make their law compatible to the TRIPS. The Agreement operates on a foundation of two of the existing Conventions by embodying the substantive provisions of the Paris and Berne Conventions, as well as adding new provisions. The TRIPS Agreement will be administered by the WTO and has enormous added significance because it is backed by the WTO's dispute settlement procedures against recalcitrant Member States. This will enable governments to assist industries by acting where other States are guilty of breach. In 1997 the first adjudication under the dispute resolution procedure reached a rapid conclusion. This indicated the willingness of the WTO to take action and the promptness with which it can act. After complaint by the US, India was requested to bring its transitional arrangement for patents protection for pharmaceutical and agricultural chemical product into line with Article 70 of the TRIPS Agreement 1994.

Though TRIPS Agreement entered into force on January 1, 1995 no member of the WTO was obliged to apply the provisions of the TRIPS Agreement before the expiry of one year following the date of entry into force of the

81. Supra note 16 at 171.
82. Supra note 4 at 11.
Agreement that is before January 1, 1996. In addition to the transition period of one year applicable to all countries including the developed ones the Agreement allowed countries different periods of time to delay its provisions. The developing countries who are members of the WTO were granted a delay for a further period of four years from the date of application of the Agreement (that is until January 1, 2000). Moreover, the developing countries which are obliged by the Agreement to extend product patent protection to types not previously patentable in that country (for example, India) was given an additional period of five years (that is until January 1, 2005) before applying the provisions of the Agreement to such products. The least developed countries who are members of the WTO are not required to apply for the provision of the Agreement for a period of 10 years from the general date of application of the Agreement.

In the WTO, least developed countries are those as are recognised by the United Nations. Presently there are about 50 least developed countries on the UN list. All of these are not members of WTO. It should be highlighted that all the members, even those availing themselves of the larger transitional periods, are required to comply with the obligations on national treatment (equal treatment for foreign and domestic individuals and companies) and the most favoured-nation’s treatment (non-discrimination between foreign individuals and companies) as stipulated in the TRIPS Agreement. The term 'intellectual property' in the TRIPS Agreement refers to copyright and neighbouring rights, trademarks, geographical indicators, industrial designs, patent, layout designs (topographies) of integrated circuits and undisclosed information.

The environment of international copyright protection changed considerably with the negotiation of the TRIPS Agreement in 1994, which required adherence to the substantive requirements of the Berne Convention and added some more, thus, it can be described as being 'Berne plus'. This is one of the various agreements administered by the World Trade Organisation (WTO).

84. Supra note 15.
The protection of intellectual property, including copyright, is thus now treated as an issue affecting international trade. This has two important consequences:

i) Copyright is no longer a sphere by itself; rather a country's failure to meet the standards of intellectual property protection laid down in the TRIPS Agreement may invite sanctions going beyond the sphere of copyright or even of intellectual property.

ii) A country's policy and its negotiating stance in respect of intellectual property issues is now but one of its counters in the wider game of international trade negotiations.

The starting point of the TRIPS provisions on copyright is that all Members must comply with the substantive Article (1-21) of the Berne Convention, other than the provision on moral rights. On April 15, 1994, many developing and developed nations of the world, concluded the Final Act resulting from the Uruguay Round of GATT. The TRIPs Agreement, which came into effect on January 1, 1995, is the most comprehensive multilateral agreement on intellectual property. Property right protection is accorded to copyright and related rights, trade marks including service marks, geographical indications, industrial designs, patents including protection of new varieties of plants, the layout designs for integrated circuits, and undisclosed information including trade secrets and test data. The Agreement is a minimum standards agreement, which allows Members to provide more extensive protection of intellectual property if they wish so. Members are free to determine the appropriate method of implementing the provisions of the Agreement within their own legal system and practice. The GATT established the WTO and promulgated various trade related agreements including TRIPS.

One of the important objectives of the WTO Agreement, as mentioned in its preamble, is the need for positive efforts designed to ensure that developing countries secure a share in the growth in international trade commensurate with the needs of their economic development. However, the TRIPS Agreement in its

current form might tempt intellectual property right holders to charge exorbitant
and commercially unviable prices for transfer or dissemination of technologies
held through such IPRs. It is important, therefore, to build disciplines for effective
transfer of technology at fair and reasonable costs to developing countries so as
to harmonize the objectives of the WTO Agreement and the TRIPS Agreement.\textsuperscript{86}
The other objectives of the TRIPS are specified in Article 7\textsuperscript{87} i.e.:-

\begin{enumerate}
\item[i)] the protection and enforcement of intellectual property rights should
contribute to the:-
\begin{enumerate}
\item[a)] protection of technical innovation,
\item[b)] transfer and dissemination of technology,
\item[c)] to the mutual advantage of producers and users of technical knowledge.
\end{enumerate}
\item[ii)] In a manner conducive to social and economic welfare, and to a balance of
rights and obligations.
\end{enumerate}

The main object of TRIPS Agreement is to reduce distortions and
impediments to international trade. It provides for effective and adequate
protection of intellectual Property Rights. It ensures that measures and
procedures to ensure intellectual property rights do not themselves become
barriers to legitimate trade. The GATT/TRIPS Agreements bind the member-
countries to bring there domestic laws in consonance with the provisions of these
Agreements. TRIPS Agreement requires a major change in the intellectual
property law of India.\textsuperscript{88} The principles of the TRIPS are specified in Article 8 that
the members may adopt:-

\begin{enumerate}
\item[i)] Measures necessary to protect public health and nutrition, and to promote
the public interest in sectors of vital importance to their socio-economic and
technological development.
\end{enumerate}

\textsuperscript{86} Carlos Correa, \textit{Review of the TRIPS Agreement: Fostering the Transfer of Technology to
Developing Countries}, as quoted from \textit{Third World Network},

\textsuperscript{87} Joseph Straus, \textit{Intellectual Property and Development: Innovation, IP Law and its Impact
on Social, Cultural and Economic Development: Perspectives from India, Europe and
WIPO}, Seminar Presentation, NALSAR Conference, (Nov 16-17, 2006).

\textsuperscript{88} \textit{Supra} note 43 at 2.
ii) Appropriate measures needed to prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology.

The agreement further provided that such measures are consistent with TRIPS provisions.\textsuperscript{89} The main provisions of the TRIPS Agreement are:\textsuperscript{90}

i) Basic principles and general obligations,

ii) Minimum standards of protection, including the duration of protection and control of anti-competition practices in contractual licences,

iii) Restricted business practice,

iv) Enforcement of intellectual property rights (Court orders, customs actions etc.),

v) Transitional arrangements for the implementation of the rules at national at the national level.

The Agreement sets out minimum standards of protection to be provided by each member. Each of the main elements of the protection is defined, namely the subject matter to be protected, the rights to be conferred and permissible exceptions to those rights, and the minimum duration of protection. The Agreement sets these standards by requiring that the substantive number of additional obligations on matters where the pre-existing conventions are silent or were seen as being inadequate.

Article 41 sets out the basic obligations of the members to establish an effective enforcement procedure for intellectual property rights, incorporated in the TRIPS, including expeditious remedies, which must act as a deterrent to further infringements.\textsuperscript{91} The Agreement lays down certain general principles applicable to all intellectual property right enforcement procedures. In addition it contains provisions on civil and administrative procedures and remedies, provisional measures, special requirements related to border measures and

\textsuperscript{89} Supra note 87.  
criminal procedures, which specify in a certain amount of detail, the procedures and remedies that must be available so that right holders can effectively enforce their rights.

The Agreement provides for certain basic principles, such as national and most favoured nation treatment, and some general rules to ensure that procedural difficulties in acquiring or maintaining intellectual property right do not nullify the substantive benefits that should flow from the Agreement.

The TRIPS Agreement provides for the protection of "undisclosed information". Article 39 of the TRIPS Agreement states that:

i) In the course of ensuring effective protection against unfair competition as provided in Article 10bis of the Paris Convention (1967), Members shall protect undisclosed information in accordance with paragraph 2 and the data submitted to the governments or governmental agencies in accordance with paragraph 3.

ii) Natural and legal persons shall have the possibility of preventing information lawfully within their control from being disclosed to, acquired by, or used by others without their consent in a manner contrary to honest commercial practices so long as such information:

a. is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;

b. has commercial value because it is secret; and

c. had been subject to reasonable steps under the circumstances, by the person lawfully in control of the information, to keep it secret.

iii) Members, when requiring, as a condition of approving the marketing of pharmaceutical or of agricultural chemical products, which utilise new chemical entities, the submission of undisclosed test or other data, the origination of which involves a considerable effort, shall protect such data

against unfair commercial use. In addition, Members shall protect such data against disclosure except where necessary to protect the public or unless steps are taken to ensure that the data are protected against unfair commercial use.

The protection must apply to information that is secret, that has commercial value and that has been subject to reasonable steps to keep it secret.93 The Agreement requires that a person lawfully in control of such information must have the possibility of preventing it from being disclosed to, acquired by, or used by others without his or her consent in any manner contrary to honest practices (breach of contract, breach of confidence, inducement to breach, as well as acquisition of undisclosed information by third parties who knew, or were grossly negligent in failing to know, that such practices were involved in acquisition). It would appear that TRIPS stipulations are close to practices followed in common law countries.

The Agreement also contains provisions on undisclosed test data and other data, origination of which involves considerable efforts, whose submission is required by governments as a condition for approving the marketing of, pharmaceutical or agricultural chemical products, which use new chemical entities. In such a situation the Member Government concerned must protect the data against unfair commercial use. In addition, Members must protect data against disclosure, except where necessary to protect the public or unless steps are taken to ensure that the data are protected against unfair commercial use. The issue of data protection is becoming an important topic for a debate in many countries. However, the tone of arguments suggest that unlike a protection for an infinite time for a trade secret, the data protection is being sought for a limited period of time, say 5-10 years.

The TRIPS Agreement recognises that some licensing practices or conditions pertaining to intellectual property rights, which restrain any competition, may have adverse effects on trade and may delay the transfer and dissemination of technology. The TRIPS Agreement aims at controlling of anti-
competitive practices while licensing of intellectual property rights takes place.\textsuperscript{94} Member countries may adopt appropriate measures which are inconsistent with the other provisions of the Agreement, to prevent or control practices, which are abusive and anti-competitive. This would mean that each member is free to formulate and enforce its own laws in this respect i.e., for controlling anti-competitive practices, hence there are chances of substantial variation in the laws of different countries.

It is to be reckoned that in a situation of transfer of technology from one member to another, practices followed in licensing could more easily become an anti-competitive while dealing with trade secrets than with other forms of intellectual property rights as it is extremely difficult to verify a trade secret. A licensee, especially in a developing country, runs a higher risk if the licensor is from a developed country. Therefore, there is a need to evolve some reasonable framework to ensure that trade secrets are not unduly used for indulging into anti-competitive practices. The Agreement provides for a mechanism whereby a country seeking to consultations with the other Member and exchange publicly available non-confidential information of relevance to the matter in question and of other information available to that Member, subject to domestic law and to the conclusion of mutually satisfactory agreements concerning the safeguarding of its confidentiality by the requesting Member.

Section 1 of Part III of the Agreement lays down the general obligations that all enforcement procedures must be met and practiced. These provisions have two basic objectives: first objective is to ensure that effective means of enforcement are available to right holders; and the second objective is to ensure that enforcement procedures are applied in such a manner so as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse. The Agreement makes a distinction between infringing activity in general, in respect of which civil judicial procedures and remedies must be available, and counterfeiting and piracy which is the more blatant and egregious forms of infringing activity and in respect of which additional procedures and remedies may also be provided, namely border measures and criminal procedures.

\textsuperscript{94.} \textit{Id.} Article 40.
These provisions will apply in case of violation of trade secrets or undisclosed information. In order to successfully ensure proper and adequate enforcement each Member State should be equipped with sound legislation to handle the situation.

Section 2 of Part III of the Agreement requires that civil judicial procedures must be available in respect of any activity infringing intellectual property rights covered by the TRIPS Agreement:-

i) It requires that enforcement procedures must permit effective action against infringements and must include expeditious remedies. As these judicial procedures may take a fair amount of time, it is necessary for the judicial authorities to be empowered to provide provisional relief for the right holder in order to stop an alleged infringement immediately.95

ii) It deals with fair and equitable enforcement, civil and administrative procedures. Members are obliged to make availability to right holder’s civil judicial procedures covering enforcement of any intellectual property right. Defendants are entitled to written notice which is timely and contains sufficient details regarding the claims. Parties must be allowed to be represented by independent legal counsel, and procedures may not impose overly burdensome requirements concerning mandatory personal appearances. All parties are entitled to substantiate their claims and to present all relevant evidence, while confidential information must be identified and protected.96

iii) It also deals with the rules on evidence and how these should be applied. It is expected that the court should be empowered to have evidence produced which is either in possession of the plaintiff or the defendant, in the court for deciding the case.97

iv) It also requires that the court should be empowered to order injunctions, i.e. to order a party to desist from infringements, including the possibility to prevent the imported infringing goods from entering into the domestic

95. Id. Article 41.
96. Id. Article 42.
97. Id. Article 43.
distribution channels. Members are not obliged to provide that authority where a person has acted in good faith.98

v) TRIPS Agreement requires that the courts are empowered to order an infringer, at least if he has acted in bad faith, to pay the right holder adequate damages. They must also be authorised to order the infringer to pay the right holders’ expenses. In appropriate cases, the courts may be authorised to order recovery of profits and or payment of pre-established damages even when the infringer has acted in good faith.99

vi) It also provides that the judicial authorities must have the authority to order infringing goods to be disposed off outside the channels of commerce, or, where constitutionally possible destroyed. It must also be possible to dispose of materials and instruments predominantly used in the production of infringing goods. The courts must take into account the proportionality between the seriousness of the infringement and the remedies ordered as well as the interest of third parties.100

vii) It requires that the judicial authorities may be authorised to order to the infringer to inform the right holder of the identity of the third persons involved in the production and the distribution of the infringing goods or services and of their channels of distribution.101

viii) Under Article 48, judicial authorities must have the authority to order the applicant who has abused enforcement procedures to pay adequate compensation to the defendant who has been wrongfully enjoined or restrained to cover both the injury suffered and expenses. Public authorities and officials are exempted from liability to appropriate remedial measures only where actions are taken or intended in good faith in the course of the administration of that law.

ix) Article 49 provides that, to the extent that any civil remedy can be ordered as a result of administrative procedures on the merits of the case, such

98. Id. Article 44.
99. Id. Article 45.
100. Id. Article 46.
101. Id. Article 47.
procedures shall conform to the principles equivalent in substance to those set forth in the Section.

x) It also requires each member country to ensure that its judicial authorities have the authority to order prompt and effective provisional measures, which must be available in respect of any intellectual property right. Provisional measures have to be available in two situations. One is where they are needed to prevent an infringement from occurring, and to prevent infringing goods from entering into the distribution channels of commerce. The provisions on provisional measures contain certain safeguards against abuse of such measures. The judicial authority may require the applicant to provide a security or equivalent assurance sufficient to protect the defendant and to prevent abuse. Provisional measures, shall upon request by the defendant, be revoked or otherwise cease to have effect, if applicant fails to initiate proceedings leading to a decision on the merits of the case within a reasonable period to be determined by the judicial authority ordering the measures. In the absence of such a determination, thus period may not exceed 20 working days or 31 calendar days, whichever is longer.\textsuperscript{102}

xi) The fifth and the final section of the TRIPS Agreement deals with criminal procedures. According to Article 61 of the Agreement, provision must be made for these to be applied at least in the case of willful trademark counterfeiting or copyright piracy on a commercial scale. The Agreement leaves it to Members to decide whether to provide for criminal procedures and penalties to be applied in other cases of infringement of intellectual property rights, in particular where they are committed willfully and on a commercial scale. Sanctions must include imprisonment and/or monetary fines sufficient to provide a deterrent, consistent with the level of the penalties applied for crimes of a corresponding gravity. Criminal remedies in appropriate cases must also include seizure, forfeiture and destruction of infringing goods and of materials and instruments used to produce them.

All the above remedies are applicable to all forms of intellectual property right including for protection of undisclosed information.

\textsuperscript{102} Id. Article 50.
The Agreement on Trade-Related Aspects of Intellectual Property Rights including Trade in Counterfeit goods discussed the law related to geographical indications in Section 3. The reason was that specific concern of European Community wine growers were taken into account during negotiations at Uruguay Round. One of the features of the TRIPS agreement at the time of its adoption was that not all different categories of Intellectual Property Rights therein, had either the same degree or legal or doctrinaire development or the same degree of acceptance among countries. This was the case of geographical indications; where a terminology problem still remains as recognized by WIPO within the standing committee on Trademarks, Industrial Designs and Geographical Indications.\textsuperscript{103} Section 3 of Part II of the TRIPS Agreement deals with geographical indications. It contains three Articles, Article 22 deals with the protection of geographical indications in general. Article 23 sets forth additional protection for geographical indication in general for wines and spirits. Article 24 discusses exceptions and set forth commitments to a process of further international negotiations regarding protection of geographical indications.\textsuperscript{104}

The TRIPS Agreement commits both developed and developing countries to provide procedures and measures to enforce intellectual property rights, which so far have remained different among them under the liberal, permissive regimes of the intellectual property conventions. It requires them to provide corrective measures, viz., injunctions, damages, confiscation or destruction of counterfeit goods, and criminal sanctions as well as preventive measures in the form of provisional and border control measures. In India, necessary steps have been taken to make the intellectual property laws TRIPS compliant, both on substantive and procedural aspects. But, like other developing countries and with an extensive coastline, jungle or desert border areas, it will take some time to check the unlawful importation of infringing goods. Laws have been made stringent enough to weed out piracy and counterfeiting of the right related


The TRIPS Agreement deals with the following areas of intellectual property rights:-

i) Copyrights and Royalty rights (Arts. 9-14).

ii) Trademarks (Arts. 15-21).

iii) Geographical Indications (Arts. 22-24).

iv) Industrial Design (Arts. 25 and 26).

v) Patents (Arts. 17-34).

vi) Layout designs (Topographies) of integrated Circuits (Arts. 35-38).

vii) Protection of undisclosed information (Art. 39).

TRIPS Agreement is something that is not new for the world. Intellectual Property Rights has been an issue of discussion since the second half of 19th century. In fact, the TRIPS agreement does not contain something new; it is just a consolidated forum of Paris Convention, the Berne Convention and the WIPO.106 TRIPS Agreement lays down minimum standards for the protection of the Intellectual Property Right as well as the procedures and remedies for their enforcement. It establishes a mechanism for the international level to ensure compliance with these standards by member countries at the national level. TRIPS agreement builds on the main international conventions on Intellectual Property Rights by incorporating most of their provisions. It provides that countries may in pursuance of the conventions; guarantee higher protection than is required by the TRIPS agreement, as long as it does not contravene its provisions.107 The North-South technological gap has continued to grow since the adoption of the TRIPS Agreement. It has been voiced by many developing countries that the enhanced protection given to intellectual property rights will not effectively promote the development process, but limit the access to technology. Several leading scholars and institutions have found that these concerns are justified, and are calling for fundamentally rethinking the intellectual property

105. Supra note 91 at 204-206.
106. Supra note 27 at 313.
107. Supra note 87.
rights system in a North-South perspective. For Harvard economist Sachs,\textsuperscript{108} ...the global regime on intellectual property rights requires a new look. The United States prevailed upon the world to toughen patent codes and cut down on intellectual piracy. But now transnational corporations and rich-country institutions are patenting everything from the human genome to rainforest biodiversity. The poor will be ripped off unless some sense and equity are introduced into this runaway process.

A similar view has expressed Prof. Barton\textsuperscript{109} (Stanford University) who has noted that:-

the risk that intellectual property rights slow the movement of technological capability to developing nations, suggests that harmonization efforts might most wisely consider one common standard for developed nations and a different one for developing nations.

The African Group has held that:-

There is lack of clarity on the criteria/rationale used to decide what can and cannot be excluded from patentability in Article 27(3)(b). This relates to the artificial distinction made between plants and animals (which may be excluded) and micro-organisms (which may not be excluded); and also between "essentially biological" processes for making plants and animals (which may be excluded) and microbiological processes.

India has proposed that:-

The TRIPS Agreement may be reviewed to consider ways and means to operationalize the objective and principles in respect of transfer and dissemination of technology to developing countries, particularly the least developed amongst them.

\footnote{Third World Network, as quoted from http://www.twnside.org.sg/title/foster.htm site visited on 18 Oct., 2007.}

\footnote{Ibid.}
The supply of technical and financial cooperation for developing and least-developed countries is mentioned in Article 67 of the Agreement, but no specific obligations or operative mechanisms are provided for. The provision of the assistance is on request and subject to “mutually agreed terms and conditions”. A good example is provided by the case of a substitute to chlorofluorcarbons (CFCs). India has found difficulties to get access to technology for HFC 134 A, which is considered the best available replacement for certain CFCs. That technology is covered by patents and trade secrets, and the companies that possess them are unwilling to transfer it without majority control over the ownership of the Indian company.\textsuperscript{110} It is the impact of the TRIPS Agreement that Indian law on the intellectual property has been amended so as to make them compatible with the international standards as prescribed by the TRIPS.


The WTO commenced functioning from January 1995. The headquarters of WTO is at Geneva, Switzerland. It has included the Draft in respect of International Trade and Trade-related matters, which was authorised by Sir Arthur Dunkel, Director General of GATT in December, 1991. It is better known as “DUNKEL PROPOSALS”. The Dunkel suggestions are very wide as this includes as many as 28 areas concerning International Trade and Trade-related matters.\textsuperscript{111} The WTO has been established under the GATT Agreement of 1994 to conclude the relations of member countries in the field of trade and economics with a view to raise standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand and expanding the production of trade in goods and services.\textsuperscript{112}

India was one of the members of the GATT since 1948. After signing the agreement in Marrakesh in 1994, India becomes one of the founding members of the WTO since it's inception in 1995. No doubt, signing the agreement was an ambitious step of India to accelerate the growth rate in international trade scenario but the fact is that the fear of being isolated in the world trade and dictates of industrial countries and conditionality’s of structural adjustment

\textsuperscript{110. Supra note 86.}
\textsuperscript{111. Supra note 16 at 70-71.}
\textsuperscript{112. Supra note 43 at 1361.}
programs are main reasons behind India and most of the countries signing the treaty. As India is one of the most developed among the developing countries and also an ideal or model for the other developing and least developed countries, lot of bargaining could have been made during the negotiations which lacked on the Indian as well as on Third World’s part. Indian domestic market of above 1000 million people, cheapest labour cost and richness in natural resources is hayfield for the profit hungry industrialized countries and they could not have easily allowed the India to come out of the Negotiations.113

The World Trade Organization came into existence in 1995 by an international treaty signed by the member states of the General Agreement on Tariffs and Trade. WTO is the only international organization dealing with the global rules of trade between nations. The objective of the WTO is to ensure that trade flows smoothly, productably and freely as possible. The multilateral trading system, which is at the heart of WTO system constitute the WTO’s agreements negotiated and signed by a large majority of the World’s trading nations, and ratified in their Parliaments. The highest authority of WTO is the Ministerial Conference. It constitutes of representatives of all the member countries usually trade ministers. The Conference convenes at least every two years. WTO has other subsidiary bodies which carry out day-to-day activities relating to smooth flow of trade. The General Council composed of all the WTO members’ reports to the Ministerial conference. The General Council also convenes in two particular forms; the Disputes Settlement Body and the Trade Policy Review Body. The General Council delegates its responsibility to three other bodies; these are the Councils for Trade in Goods, Trade in Services and Trade-related Aspects of Intellectual Property Rights.114

The main functions of WTO are:-

i) To administer administering WTO trade agreements between the nations,

ii) Acting as a forum for the trade negotiations between the nations,

iii) Handling of the trade disputes between the nations,

114. Supra note 15.
iv) Monitoring the national trade policies,
v) Provide technical assistance and training for developing countries,
vi) Co-operation with other international organizations.

On 27 July 2007 the number of countries which were members of the WTO stood at 153. It may be noted that though the words "country" and "nation" are frequently used to describe WTO members but a few members are officially "Customs territories" and not necessarily countries in the usual sense of the word. While the WTO operates a similar dispute settlement process as followed by the GATT, but it has stronger power to enforce agreement including authority to issue trade sanctions against a contracting State that refuses to evoke an offending law or practice.

To sum up, the Paris Convention is an international convention for promoting trade among the member countries, devised to facilitate protection of industrial property simultaneously in the member countries without any loss in the priority date. All the member countries provide national treatment to all the applications from the other member countries for protection of industrial property rights. As India is also the member of the Paris Convention hence our Indian Laws are compatible with the Paris Convention as our Indian laws are providing the national treatment to all the applications for the protection of the industrial property.

Paris Convention does not deal with appellation of origin but covers cases of direct or indirect use of false indication of source on the goods or the identity of producer, manufacturer or merchant. Infringement of this provision results into seizure upon importation or failing that other measure according to the domestic legislation. The action may be taken not only by the public prosecutor, but also by an interested party, producers, merchants or industrialists before a competent authority.

The Berne Convention is administered by the World Intellectual Property Organisation, which is one of the specialised agencies of the U.N. Berne is now the base on which important agreements are founded, and the way in which

incorporated provisions and declaratory statements are to be interpreted are now matters of great importance to national legislators and international bodies.

Under the Madrid Agreement a mark to be registered in member states should be first registered at the national level in the country of origin of the applicant. The first registration is called 'basic registration'. There is no provision for directly filing a request under the Agreement. The role of the office of the country of origin is not only to send the application for international registration but also to certify that the mark, which is the subject of the international registration, is the same mark that is the subject of the basic registration. India cannot take advantage of this Agreement as it is not yet a member of the Agreement.

The Hague Agreement aims at providing a mechanism for securing protection of an industrial design in all the member countries by means of an international deposit. The international deposit could be in the form of the industrial product or drawing or photograph or any other graphic representation of the said design. The duration of protection was 15 years from the date of deposit, this divided in two periods namely, one period of five years and the other of ten years. This Agreement is now being implemented by the WIPO. India is not yet a member of the Hague Agreement and hence the above provisions or description may not be of immediate relevant for us. However, there is a strong need to monitor the developments in this area.

The three main objectives of GATT i.e., elimination of discrimination, abolition of unfair trade practices of all kinds and removal of barriers to the smooth flow of international trade and these objectives has been achieved with the cooperation of the member States. Under the terms of the WTO, India is required to implement WTO- standard intellectual property rights protection laws by 2005. And because of that Indian legislature has passed the Trademark Act, 1999, the Design Act, 2000, the Geographical Indications of Goods Act, 1999, the Protection of Plant Varieties and Farmers Rights Act, 2001, the Patent (Amendment) Act, 2005 etc. Protection of intellectual property rights in India continues to be strengthened further. The year 1999 witnessed the consideration and passage of major legislation with regard to protection of intellectual property
rights in harmony with international practices and in compliance with India’s obligations under TRIPS.

The WIPO was established as a vehicle for promoting the protection, dissemination and the use of intellectual property throughout the world. The major functions of WIPO are Registration activities, Promotion of intergovernmental cooperation, Substantive or programme activities. WIPO is playing an eminent role in the protection of IPR but there should be a balance between the monopoly privileges given to the patent or copyright holders, and the rights and welfare of the public.

Through PCT, an inventor of a member country contracting State of PCT can simultaneously obtain priority for his/her invention in all/any of the member countries, without having to file a separate application in the countries of interest, by designating them in the PCT application. India is also the member of PCT. All activities related to PCT are coordinated by the World Intellectual Property Organization (WIPO) situated in Geneva. In order to protect your invention in other countries, the applicant is required to file an independent patent application in each country of interest; in some cases, within a stipulated time to obtain priority in these countries. This would entail a large investment, within a short time, to meet costs towards filing fees, translation, attorney charges etc. In addition due to the short time available for making the decision on whether to file a patent application in a country or not, may not be well founded. No concessions are available in the national phase or regional phase applications; respective fees in these phases will have to be paid by the applicant.

Under the PCT system, by the time the international application reaches the national office, it has already been examined as to form by the receiving Office, been searched by the International Searching Authority and possibly examined by an International Preliminary Examining Authority. These centralized procedures at the international phase thus reduce the workload of the national Patent Offices.

Trademark Registration Treaty is administered by the World Intellectual Property Organization and aims at acquisition of trademark protection in a number of countries through a single application filed in a central office in the WIPO. There is no need to file the application first in the national office in the
home State. In fact many advanced countries having strong trademark laws are not members of this treaty. India is not yet a member of this treaty, if it becomes its member, than it helps in the acquisition and protection of the trademark.

The Budapest Treaty on the International Recognition of the Deposit of Micro-organism for the Purposes of Patent Protection, which provides for the deposit of micro-organisms in an International Depository Authority. The Treaty calls as the "international depository authority" is a scientific institution capable of collecting micro-organisms. A deposit would require to meet the descriptive requirements of patent legislation governing invention involving a micro-organism or the use of a micro-organism. Any deposit can be accessed by for the purpose of testing and experimenting and for commercial use when the patent expires. Only those countries which are the members of the Paris convention are qualified for becoming members of the Budapest Treaty India is also the part of the same. Indian Patent Act does not allow patenting of micro-organisms isolated from nature. However, genetically modified micro-organisms are patentable. Microbiological processes are also patentable.

The Madrid Protocol was formed to remove some of the features of the Madrid Agreement, which posed obstacles to accession by several countries. For an international registration, it is essential, first to register a mark at the national level. The time required for obtaining a mark at the national level varies from country to country, hence some parties do suffer. The only working language of the Madrid Agreement is French. The Madrid Agreement further obliges member countries to protect indications of source against false and misleading use and lays down that such goods bearing false and misleading indications of use must be seized on importation by the contracting states. The accession to the Madrid Protocol is a step in the right direction for India in as much as it will be beneficial to the Indian companies and foreign companies seeking to register in India. It would also streamline the functioning of the Registrar of Trademark and will ensure that the system becomes more transparent.

The TRIPS Agreement establishes a minimum level of harmonized intellectual property law to be adopted by all members of the World Trade Organisation. Least developed countries have been given an extended period in which it is to make the necessary changes. There is an equal treatment for
foreign and domestic individuals and companies and non-discrimination between foreign individuals and companies. But the TRIPS work exclusively for the benefit of industrialized world. The standard of protection for developing world are too high, one size does not fit for all the developing and developed countries. The TRIPS does not offer incentives for indigenous innovation. It does not comply with the Rio-Convention. It does not take into account traditional knowledge. TRIPS should lay down some provisions regarding the protections of the traditional knowledge and speedy remedy should be provided in case of infringement of the same.

Ever since, intellectual property rights were introduced in the legal system, it has been the objective of both national and international law to grant its beneficiaries a monopoly by means of exclusive rights. The WTO is successfully acting as a forum for the trade negotiations between the nations while handling of the trade disputes between the nations and monitoring the national trade policies.

These international laws for the protection of the intellectual property rights play an important role. The convention requires that the member countries should not discriminate in conferring, protecting and enforcing the rights in intellectual property as between their own citizens and those of others. The law made by them shall be fair and equitable to all. Detailed procedure shall be enacted in the laws which are reasonable for the enjoyment of the rights. Provisions shall be made for giving all the parties adequate opportunity for making representations, wherever necessary for affirming and defending there rights. It is the impact of these international conventions and agreement that Indian laws are amended so as to make them compatible to the international standards.

These international laws are the base for the protection of the intellectual property rights in different member states. The parties to the convention provide equal treatment to all other member states for implementing and enforcing the intellectual property rights. They give the national treatment to all the intellect concerned, and there is no such discrimination upon the implementation of the same. In order to build a strong and competitive economy, the member States need to invest in technology, infrastructure and human resource development. New technologies are becoming the dominant factor in determining international
competitiveness and there is a great need to protect these new technologies of the intellectual property right at the international level.

A good intellectual property protection system will also help in stimulating private investment in research and development as well as acquiring advanced technology from abroad. The new intellectual property regime poses a challenge to our ability to compete in the global market and the solution is not to keep away but to participate in order to do better than others. It is the impact of all these International Conventions or Agreements that we (India) have amended our Indian laws on intellectual property\textsuperscript{116} so as to make them compatible with the international standards.

There are adequate provisions envisaged in the international agreements or conventions to safeguard the interest of the creator who plays an important role in the development and advancement of the socio-cultural, economic and political environment in the country. There is a need for a well-trained and equipped specialized police force for the detection and enforcement of crimes relating to the violation of the intellectual property rights. Stress should also be laid on the speedy justice so that justice should not only be done but should manifestly and undoubtly seems to be done. But unfortunately no such provision has been made in any agreement or in convention.

\textsuperscript{116} The amendments made in the Intellectual Property Laws are discussed in Chapter-III.