



# **Building Awareness on Intellectual Property Rights (IPR) for MSMEs in India**

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# An Overview of MSMEs

- 26 million units
- 60 million persons
- 45% contribution in manufacturing output
- 40% contribution in total exports
- More than 8000 items produced



# Characteristics of MSMEs

- Decentralized growth
- Indigenous Technology
- Low investment
- Vast employment potential
- Credit problem
- Low in technology
- R&D issue
- Intellectual Property Rights



# Classification of MSMEs

- MSMED Act, 2006 came into existence on 2<sup>nd</sup> October 2006
- Investment has been adopted as criteria for classification of Micro, Small & Medium Enterprises

(Fig. In Indian Rupees)

Type of units	Manufacturing Sector	Services Sector
Micro	Upto 25 Lakh	Upto 10 Lakh
Small	25 Lakh – 5 Crore	10 Lakh – 2 Crore
Medium	5 – 10 Crore	2 - 5 Crore



# IPR Legislations in India

- ❑ **Patents Act 1970 as amended in 2005**
- ❑ **Industrial Designs Act-2000**
- ❑ **Trade Marks Act 1999**
- ❑ **Geographical Indication Act 1999**
- ❑ **All the above laws are administered by CGPDTM**
- ❑ **Copy Right Act 1999**
- ❑ **Protection of Plant Varieties & Farmers' Rights Act 2001**
- ❑ **The Biological Diversity Act, 2002 (All IPR Laws are fully TRIPS compliant)**



# Building Awareness on IPR for MSME's

## Strategies:

- Generating awareness on IPR systems / management.
- Encourage Participation in Research & Technological Development.
- Enhancing Brand Strategy using IPR tools.
- Leveraging Strengths of Institutions to deliver.
- Promoting Innovation - Share Patenting cost.

## Targets:

- **12,000** Units/ Entrepreneurs/ Persons.
- **70** MSME Clusters.



## Project Cost : 5 Yrs

■ Total Project Cost	Rs. 55 Crore
■ GoI Contribution	Rs. 50 Crore.
■ Share of Private Partners	Rs. 5 Crore



# Main Activities

Sl. No.	Activity	Max. grant (Rs. in lakh)–per proposal
(a)	Awareness/ Sensitization Programmes	1.00
(b)	Pilot Studies.	2.50
(c).	Interactive Seminars/ Workshops.	2.00
(d)	Specialized Training.	
	(i) Short term (ST)	(i) ST- 6.00
	(ii) Long term (LT)	(ii) LT-45.00





## Main Activities (contd.)

Sl. No.	Activity	Max. grant (Rs. in lakh)–per proposal
(e)	Grant on Patent/ GI Registration. (i) Domestic Patent (ii) Foreign Patent (iii) GI Registration	(i) 0.25 (ii) 2.00 (iii) 1.00
(f)	Setting up of 'IP Facilitation Center for MSME'.	65.00
(g)	Interaction with International Agencies. (i) Domestic Intervention (ii) International Exchange Programme	5.00 7.50



# Definition & Eligibility

Participation	Definition	Eligibility as Applicant
MSME Units	Units with Registration or EM credential	(e) (i)& (ii)
MSME Organisations	Industry Associations, Societies/ Co-operatives/ Firms Trusts and other bodies including NGOs working for MSMEs, Research / Technical & Educational Institutions, Universities with a track record of assisting MSMEs etc.	(a), (b), (c), (e) (iii), (f), (g)
Competent Agencies	Consultancy Organisations, Research Institutes individual Experts or Agencies having sound technical and financial capabilities to conduct Pilot Studies with atleast five years of previous experience.	(b)



# Definition & Eligibility

Participation	Definition	Eligibility as Applicant
Expert Agencies	TIFAC, Patent Facilitation Centres, NRDC, Indian Patent Offices (DIP&P), Registrar of Trademark, Registrar of Geographical Indication, D.B.T., Registrar of Copyright, NIIPM, IITs, Law Schools, Patent Attorneys, individual IPR expert, MoMSME, MoE&F, MoHRD, WIPO, EU-TIDP, USPTO, KIPO/KIPA, IIFT, DIT, DSIR and other such bodies.	(i) To be associated by the eligible applicant in organising various activities.  (ii) (a),(c),(d),(g)
IPR Facilitating Agencies	<ul style="list-style-type: none"> <li>➤ Quasi Govt or Govt Aided Bodies being run on autonomous or commercial lines.</li> <li>➤ Private units (provided sponsored by MSME Industry Associations).</li> </ul>	(f) & (g)  (f)



# IP Awareness Programme

- **Objective** : Different aspects of IPRs require greater understanding and attention by the industry.
- To support MSMEs in raising awareness on IPR
- To educate them about the value and protection of IPR.
- **1-2 days Sensitization/ Awareness Programmes.**
- Organise with different Ministries/Departments of Government, Universities, Industry Associations/ Chambers, Provincial Government, WIPO, EU-TIDP, etc.
- Partner's contribution – Expertise/ Resource Persons or Infrastructure.



# Pilot Studies

- Studies on IP needs of Clusters taken up / Other Need-based Sectors.
- Sectors to be covered – Biotechnology, Automobile, Chemicals, Leather, Drugs & Pharma, Sports, Toys, Hand Tools, Foundries, etc.
- Associations/ Chambers, Cluster Actors to share 10% of the GOI share.



# Interactive Seminars/ Workshops

- **Objectives** :To train MSME representatives to understand the product specific/sector specific IPR issues in view of changing environment.
- Tailor made Seminars/ Workshops for IP needs of Identified Clusters/ Industries.
- To discuss Pilot Study Report Recommendations.
- To Focus on Industry/ Cluster specific IP Adoption.
- Seminars/ Workshops- Partners to Provide Expertise/ Resource.



# Specialised Training (Long/ Short-Term)

- Cadre of IP Specialist required for MSME.
- Professional (Govt. & Pvt.), R&D persons, etc. to be selected.
- Duration: 6 months (long-term) & 2-3 weeks (short-term).
- Long Term at specialised institutes e.g. NIIPM, TIFAC, IITs, Universities, Law Schools, etc.
- Short-Term – Need based, at different locations.
- Partners / Participants to Contribute 10 %.
- Course Module- to be finalised on the basis of :
  - ❖ Specific requirements of Indian SME.
  - ❖ Institutes running specialised courses on IPR in India;
  - ❖ IP for Business using IP Panorama developed by WIPO for SME, etc.



# IP Facilitation Centre for MSME

- MSME overawed by IP Process.
- Need for dedicated IPR Centers for MSME.
- To develop IPR data-base for SME (IT– based).
- Patent Mapping/Patent Search (through IT).
- Facilitate filing of applications for Patents, Industrial Designs, Trade Marks, Copyrights, GI, etc.
- To be implemented under PPP Mode - GoI to fund Hardware/Software, Licensing Fees etc.
- Facilitation Centre for need-based and could be located in SME Clusters and other MSME Centres.
- Technical collaboration with institutes like TIFAC





# Assistance for Patents & GI

- Very Low Patenting among MSMEs.
- Negligible Registration under GI
- Making MSMEs globally competitive through Patenting.
- Encourage MSMEs for protection Innovation, R&D.
- To secure rights over their traditional product.
- Financial assistance only on Grant of Patents and Registration of GI.



## Activities with International Agencies

- Bilateral Cooperation Agreements with 8 countries namely Australia, USA, Germany, Japan, France, EPO and Switzerland to promote innovation, IP and foster Cooperation
- India Parent office recognized as International Searching Authority/ International Preliminary Examination Authority by WIPO
- Study International Best Practices for adopting locally.
- Capacity Building through Training & Exchange Programme.
- Participation in joint R&D programme.



# Approval and Monitoring

- Steering Committee headed by AS&DC(MSME) – Apex decision making body.
- Representation from Ministries/ Departments/ Agencies associated with implementation of IPR.
- Project Implementation Committee (PIC) under an IPR Expert.
- PIC to approve specific proposals.
- Constitution to be reviewed from time to time to keep it widely represented.



# Progress & Achievements

- ❑ **27 IPFC sanctioned at**  
**Banglore(2), Thiruvananthapuram,**  
**Jaipur(2), Gandhi Nagar, Shimla,**  
**Lucknow, Chennai, Hyderabad(2), New**  
**Delhi(3), Indore, Chandigarh, Bhopal,**  
**Mysore, Dehradun, Bangalore(2) Kolkatta,**  
**Mumbai, Agartala, Imphal & Pune(2)**
- ❑ **12 IPFC started functioning**
- ❑ **110 Awareness Programmes**



# Progress & Achievements

- ❑ **30 Workshops**
- ❑ **4 Short term training**
- ❑ **6 Pilot studies-bamboo sub sector, Ayurveda based MSMEs, Auto Component, Drug& Pharma, Electronics & Textiles**



# Strategic Use of IP in an Enterprise

- Name of Enterprise: M/s. Pushp Jyoti herbal Enterprises  
Gurgaon, India
- Dr. Pushpa Khanna an Indian Scientist  
Born in 1928



# Strategic Use of IP in an Enterprise

- Invented a drug named Gourdin. GOURDIN is a supplement made from the seeds of BitterGourd (Bittermelon or Momordica Charantia L.). this supplement is first of its kind showing absolutely no side effects
- Gourdin is a protein extract from a plant source when administered to patients suffering diabetes mellitus (Type I & II), helps them to improve their general health.



# Strategic Use of IP in an Enterprise

- Granted patent in US, Australia, South Africa, EU, China, Malaysia, Korea and in India.
- The product has been commercialized in May, 2000. Licenced the invention successfully worldwide. Technology transferred to China, Malaysia, Korea, India and Japan.





# Strategic Use of IP in an Enterprise

- At present Dr. Khanna is manufacturing Gourdin and other products at a small scale units under the name and style of M/s. Pushpa Jyoti Herbal Enterprises, Gurgaon
- Dr. Khanna holds various patents for her excellent research work including (i) Extraction of a Hypoglycaemic Polypeptide from vegetable source - Indian Patent No. 136565 and (ii) Antifertility drug for male from plant source - Indian patent and 14 foreign patents with USA, Canada, Australia, South Africa, China, Malaysia, Japan, Indonesia, EU Korea etc.



# Road Ahead

- Awareness
- IP Facilitation Center
- Documentation/Success Stories (MSME)
- Adoption of WIPO Booklets & Translation
- Enforcement

*Thank You*