

Global and National Trademark Protection

Latest Developments, Challenges and opportunities

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SRI LANKA

Global & National Trademark Protection

Intellectual Property System in Sri Lanka:

☐ Legal Framework:

- Intellectual Property Act No. 36 of 2003 governs the IP System in Sri Lanka
- It is a unitary system in the sense the administration of IP comes under on umbrella
- National Intellectual Property Office (NIPO) is mandated with the administration
- NIPO is headed by the Director General of Intellectual Property (DGIP)
- Decisions of DGIP can only be challenged in court
- National IP Office functions under the Ministry of Industry & Commerce
- The IP system covers a variety of IP rights such as marks, designs, patents, copyright & related rights, geographical indications, layout designs of integrated circuits, new variety of plants, undisclosed information & their acquisition management & enforcement

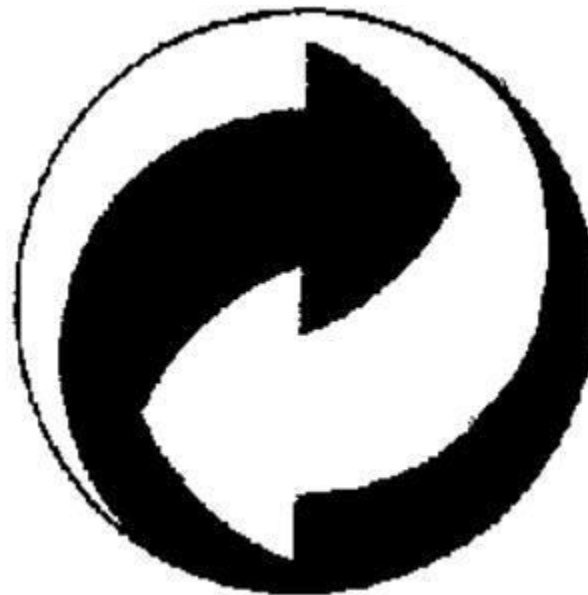
Definitions

- ❖ **Mark** – Trademark or a Service Mark
- ❖ **Trade mark** – Any visible sign serving to distinguish the goods of one enterprise from those of an other enterprise
- ❖ **Service mark**–Any visible sign serving to distinguish the services of one enterprise from those of an other enterprise
- ❖ **Certification mark** – A mark indicating that the goods or services in connection with which it is used are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics



Definitions...

- ❖ **Collective mark**
- ❖ Visible sign designated as such and serving to distinguish the origin or any other common characteristic of goods or services of different enterprises which use the mark under the control of the registered owner



Definitions.....

- **Geographical indication**
- An indication which identifies any goods as originating in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. Example: **DARJEELING TEA (India)**



Membership of International conventions & treaties

- Paris Convention for the Protection of Industrial Property (since 1952)
- Trademark Law Treaty (since 1996)
- Agreement on Trade Related Aspects of Intellectual Property Rights (since 1950)
- Berne Convention for the Protection of Literary and Artistic works (since 1959)
- Patent Co-operation Treaty (since 1982)
- Universal copyright convention (since 1983)
- Convention Establishing the World Intellectual Property Organization (since 1978)
- Madrid agreement for the Repression of False or Deceptive Indication of Source on goods (since 1952)

Registration Procedure

- Formality Examination
- Substantive Examination
- Publication
- Registration

Examination of marks

- An application undergoes two stages of examination
 - Formality examination
 - Substantive examination

Formality examination

- Checked whether the application meets the formal requirements recognized under Sections 106 – 110 of the Act
- If major defects are identified applicant is informed to correct the defects with a dead line
- Minor defects are informed to the applicant while informing the result of the substantive examination (Acceptance or refusal of the mark)

Substantive Examination

- Applications with no major formal defects are eligible
- Performed under Sections 103 & 104 of the Act (These two sections provide for several grounds on which a mark becomes inadmissible)
- Section 103 deals with absolute grounds & Section 104 deals with relative grounds
- Section 104 (1)[sub sections (a) to (f)] & section 103 (1) (k) makes provisions for relative grounds objections.
- Section 103 (1)[sub sections (a) to (m)] makes provisions for absolute grounds

Section 103 of the Act in brief

- ✓ 103(1)(a): Shapes or forms imposed by the inherent nature of the goods or services or their industrial function.
- ✓ 103(1)(b): Any sign or indication which is descriptive of the goods or services concerned
- ✓ 103(1)(c): Any generic sign or indication relating to the respective goods or services
- ✓ 103(1)(d): Any mark which is not capable of distinguishing the goods or services of different enterprises for any reason (Non-distinctive marks)
- ✓ 103(1)(e): Any mark which is scandalous, contrary to morality or public order or likely to offend the religious or racial susceptibilities

Section 103 of the Act in brief

- ✓ 103(1)(f): Any mark which is likely to mislead the public or trade circles as to nature, source, geographical indication, manufacturing process, characteristics, suitability for their purpose of the goods or services
- ✓ 103(1)(g): Non-specific presentation of the name of an individual or enterprise
- ✓ 103(1)(h): A geographical name in its ordinary signification
- ✓ 103(1)(i): Names, abbreviated names, flags etc. of state or international organization, without the permission of the competent authority
- ✓ 103(1)(a): S.103(1)(j): Official signs or hallmarks of states
- ✓ 103(1)(k): Marks lapsed during past 2 years
- ✓ 103(1)(l): Marks for illegal trade
- ✓ 103(1)(m): Marks with prohibited signs or indications under regulations.

Section 104 of the Act in brief

- 104(1)(a): A mark identical or misleadingly similar to an already filed or registered mark
- 104(1)(b): A mark misleadingly similar to a used unregistered mark
- 104(1)(c): A mark misleadingly similar to a used trade name
- 104(1)(d): A mark identical or misleadingly similar to well-known mark
- 104(1)(e): A mark which is contrary to the law of unfair completion (as recognized under s. 160 of the IP Act) or infringes third party rights
- 104(1)(f) A mark filed by an agent in the name of such an agent without the consent of the principal or without any justification

Performing of substantive examination

- ❖ **Conduct ‘the similarity test/search’ in respect of a mark under sections 104(1(a)-104(1) (d)**
- ❖ This test is done in two ways
 - ✓ Using the available national database (IPAS-WIPO Publish Search)
 - ✓ Through WIPO Brand Data Base
- ❖ Thereafter, the admissibility under Section 103 (1) (a)-(m) and 104 (1) (e) – (f) of the Act is checked

Preparation of examination / search report

- ❑ It is the recommendation of the examiner to the superior officer as to whether the mark is acceptable or not with the reasons for the recommendation.

- ❑ Important things considered
 - consistency in decision making
 - nature of the trade concerned
 - particular circumstances of each application having particular regard to the mark and the goods or services.
 - check for the common and descriptive words or devices of a particular class

Publication

- Notices prepared in 3 official languages for accepted marks
- Published in the Government Gazette
- Objection period of 3 months
- If objection received opposition procedure followed

Registration

- Not objected marks are registered
- Certificate of Registration is issued
- Registration effects from the date of filing/ priority date
- Valid for 10 Years
- Can be renewed for consecutive 10 year periods

Latest Developments

- Improved national database (IPAS) with internal WIPO Publish search data base for substantive examination
- Up dated the new Java IPAS version 3.1.1 c
- Up dated WIPO Global Brand Data Base for substantive examination
- NIPO hopes to access to the Madrid System (by end at 2017/early2018)for International registration of trademarks
- Protection for Geographical Indications - Amendments to the Law facilitating GI registration has been approved by the cabinet
- Facilitate an IP-related initiative to increase the value and competitive advantage of Sri Lanka's tourist industry through IP system – Cabinet has approved to proceed with the agreement between WIPO and Government of Sri Lanka
- Ratified Marrakesh Treaty-in October 2016 – Sri Lanka became 24th country to accede to the Marrakesh Treaty to facilitate access to published works for persons who are blind, visually impaired or otherwise print disabled

Challenges and Enforcement of Trademarks

□ Challenges

- ✓ shortage of human resources
- ✓ NIPO does not have sufficient space to accommodate the newly recruited staffs
- ✓ while international mark is already registered at NIPO, the national applicant some times file the identical mark again
- ✓ international manufacturer's brand names are filed by local importer's brand names in certain classes
- ✓ some national manufactured goods are not specified in the nice classification
 - examples: **Kolakanda** [fresh vegetable juice for medicinal purpose]-cl.5,
 - Samaposha** [mixed flour cereals]-cl.30,
 - Achcharu** [preserved fruits & vegetables]-cl.29,
 - Saravita** [fresh beetle, arecanut & designated coconut]-cl.31
 - Beedi** [Tobacco articles]-cl.34 (LOCALLY MADE)
- ✓ national applicants file descriptive words, devices and geographical names in certain classes
- ✓ Enhance more training for trademark examiners
- ✓ Insufficient awareness among the public, who use our services

Challenges an Enforcement of Trademarks...

☐ Challenges

- ✓ The following list of goods are prohibited in Sri Lanka
- ✓ - **Class 20: Horn, bone, ivory, whalebone**
- ✓ - **Class 29: game, edible birds' nests**
- ✓ -According to the Fauna & Flora Protection Ordinance, The Ministry of Environment & Natural Resources, Department of Wild Life Conservation are objecting in granting the rights for the above goods. Hence, NIPO has specified terms prohibited goods as requested by the laws enacted in Sri Lanka

Enforcement of rights

Means of enforcement

- Civil litigation
- Criminal sanctions
- Customs control

Civil litigation

Jurisdiction

- The High Court established for the western province of Sri Lanka
(This court is referred as the Commercial High Court in common practice)
- The Magistrate Court

Civil litigation

Remedies

- Injunctions

- Interim & permanent injunctions
- Enjoining orders

- Damages

- Actual quantum of damages upon the establishment of the same
- Statutory damages not less than Rs. 50000 (\$ 385) & not more than Rs. 1000 000 (\$7695)

Civil litigation..

☐ Offences

- Infringement of rights
- Sale, display for sale & possession of infringed goods
- Attempted infringement

Criminal sanctions

Ways of institution of criminal proceedings

- Private plaint
- Prosecution by police

Criminal sanctions..

☐ Penalty on conviction

- Fine not exceeding Rs. 500 000 (\$3845)
- Imprisonment for a term not exceeding 6 months
- Both
- Doubled term of imprisonment or fine or both in the case of second or subsequent conviction

Customs control

- ❑ Pirated goods are considered as prohibited goods

- ❑ Director General of Customs has the power to
 - Forfeit (Penalty)

 - Destroy & dispose of such goods

 - Suspend imported pirated goods in to free circulation

OPPORTUNITIES

- Registration gives exclusive rights to use, assign & license a mark
- Easy & effective enforcement of rights
- The owner can prevent others from using the mark itself or a deceptively resembling mark
- Claim damages
- Distinguishes the goods or services of its owner from those of others
- Indicates the source of the goods or services
- Individualizes the goods or services of the owner
- Enables the owner to reach the customers
- Helps the consumers to make the choice

Opportunities..

- Promotion of the use of IP for economic growth & creative activities
- Sri Lankan brand names can be sold for higher prices due to its quality and reputation & due to the value gained as Geographical indications due to the unique climates & the soil ex: Ceylon Tea, Ceylon cinnamon



INTELLECTUAL PROPERTY STATISTICS – TRADE MARKS

Year	Applications			Registrations		
	Resident	Non Resident	Total	Resident	Non Resident	Total
2010	3942	2302	6244	570	469	1039
2011	4732	2925	7657	394	985	1379
2012	5938	3178	9116	660	689	1349
2013	5481	3344	8825	1485	559	2044
2014	5207	3346	8553	403	735	1138
2015	5995	3420	9415	882	1390	2272
2016 Jan-Oct	5909	3148	9057	914	1224	2138

THANK YOU.