

**Minor Research Title : “A study on Procedure for registering Regional Specialties under the Geographical Indication (GI) an element of TRIPS”**

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## EXECUTIVE SUMMARY

After the patent war case in agro- produce like Basmati rice, Neem and Haldi(turmeric)which was claimed by U.S. Patent 5,401,504<sup>1</sup> on Use of Turmeric in Wound Healing, (popularly known as the Turmeric patent), it was assigned to the University of Mississippi Medical Centre. Another case in the late 1997, <sup>2</sup>when an American company RiceTec Inc was granted a patent by the US patent office to call the aromatic rice grown outside India "Basmati", India objected to it. India has been one of the major exporters of these agro produces to several countries and such a grant by the US patent office was likely to affect its trade. Since these agro-produces are traditionally grown in India and Pakistan, it was opened that granting patents to U.S based is violated under the Geographical Indications Act 1999 the TRIPS agreement.

After going through some of these TRIPs case-study the curiosity was created in the mind of the researcher to study more on TRIPs and the elements of the TRIPs(whether which element of TRIPs is applicable to Indian regional goods / produce and how the producer can protect it. Many more queries on whether the producer/farmer/seller is aware about the Geographical Indication registration and various related issues. At the same time, whether seller as well as buyer is aware about using or buying of such registered geographical indication goods /product/ produce.

After the literature review, the researcher came across the issues like buyer as well as sellers is not aware about the element 'Geographical indication' for agro-based produces in Mumbai. The pilot study indicated that there must be an appropriate awareness mechanism for the sellers as well as buyers to create awareness about the geographical Indication (GI) registration and protection. Therefore the researcher found the research gap in the topic for further study on awareness mechanism among the producer and seller in relation to registration of their produces or goods under GI. Some of the Regional Specialty examples from India registered under Geographical Indication is Mahabaleshwar Strawberry, Kolhapuri Chappal, Nagpur Orange, Goa cashew nuts. Since either strawberry or orange these are popular in their own state due to unique quality. The words added to agro products/produce like strawberry, oranges, cashew nut like Mahabaleshwar strawberry, Nagpur oranges, Goa Cashewnuts here Mahabaleshwar. Nagpur and Goa is the region in which its made or produced. As such the researcher has termed this '**Unique Quality Produce**' from such region as **Regional Specialty** because these

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<sup>1</sup>[www.uspto.gov/netacgi/nph,Geographical Indication: An Overview](http://www.uspto.gov/netacgi/nph,Geographical+Indication:+An+Overview)

<sup>2</sup>[www.nytimes.com/india-us-fight-on-basmati-rice-is-mostly-settled.htm](http://www.nytimes.com/india-us-fight-on-basmati-rice-is-mostly-settled.htm)

are popular with their state or region names. Some of these products are sold/ exported too in other country market.

Hence the GI registration will gives protection domestically as well as internationally. The procedure and protection under Geographical indication is further discussed in chapter 6<sup>th</sup> and also studied the importance of Geographical Indication in domestic market as well as international market for regional produces. So the necessary awareness mechanism is an important factor in domestic market. It is necessary to study the detail about Geographical Indication. But Geographical Indication is a global topic as such researcher again precisely studied the Geographical Indication registration of all the produces in India, but especially concentrated on Kanchipuram silk Apparels producer and Kanchipuram silk seller's / trader's/buyers awareness mechanism. The details about Kanchipuram silk Apparel market scenario needed to be study.

### **Kanjvaram Silk Apparels Scenario**

The real scenario is that there are a large number of non-pure silk Apparels under names like of 'Kanjivaram Silk Sarees, Conjeevaram Silk, Kanchi Silk Sarees, some of these are unauthorized sellers of silk sarees or Apparel. These unauthorized sellers reduce the price and sell the imitated produces in the market. Due to this the authorized sellers are suffering because there was no protection provided by the authority. In other words **Regional specialties** have been taken for granted up till now with suffering many losses to the original/ authorized seller. But today, protection for the brand of the region for its very own **uniqueness** has become necessary and inevitable through the protection of **Geographical Indications**. Since 2003 geographical identification is to avoid the malpractices silk trade. But the fact is that some of sellers as well buyers are not actually aware about the presence of quality assurance role through Geographical Indication registration.

In this context, the researcher studied **the Kanchipuram silk Apparel registration** under Geographical Indication in India and its **Awareness Mechanism, Regulatory system** for sellers to buyer. It is important to recognize that the registration under Geographical Indication requires more than the mere protection of geographical names (regional specialties) because of the triple association between produces, place of origin and quality –related factors. The research study is limited in collecting information from end-users (buyers) and sellers in Mumbai metro region. The objective of the study was to study the market reality of Kanchipuram silk Apparel seller/trader as well as buyers.

## ❖ OBJECTIVES OF THE STUDY:

The main objective was to study the **Marketing Reality** of the silk Apparel in Mumbai region with reference to Geographical Indications registration.

### **1. To analyze the Product, Place of Origin and Quality –related factors.**

The researcher had studied the product, place of origin and quality of the Silk Apparel (specially Kanchipuram silk Apparels) in detail.

In other words, the regional specialty of the Kanchipuram region in silk produce and its further trading. ( Explained in 4<sup>th</sup> chapter...Please see the Hardcover)

### **2. To determine the Sellers and the Buyers awareness mechanism about the Kanchipuram silk Apparel(GI registered).**

Kanchipuram silk is the most acceptable silk Apparel in business of silk Apparel. As such the product price is quoted very high in the name of pure Kanchipuram silk. But various unauthorized silk producers in Kanchipuram silk sales non-pure silk in the name of pure Kanchipuram silk. Thus the researcher studied the awareness mechanism about the silk Apparel at the seller/trader level.

### **3. To study the distribution system, for further understanding of the regulatory system.**

On the basis of the literature review, researcher have come to a conclusion that even after registration of Kanchipuram silk with Geographical Indication, some of non-pure silk or unregistered silk Apparel are also sold in the name and sign of purity and Kanchipuram silk. As such, researcher wanted to study, the regulatory system followed during distribution system and most importantly labeling.

### **4. To study the promotional, communication and education activities opted by India's Intellectual Property Rights office about Geographical Indications.**

The objective of the Geographical Indication study was to understand the procedure of registration as well as the promotional communication and educational activities, if any, opted by Indian Intellectual property rights officials.

**5. To examine the misuse and to prohibit unauthorized sellers, merchants from using the Regional Specialty name.**

The researcher had studied the control mechanism on misuse of regional specialty name during the sale. ( Detailed explained in 7<sup>th</sup> and 8<sup>th</sup> Chapter )

On the basis of the objectives of the study, the parameters and variables were identified. Further these variables and parameters of the research helped to frame the Hypotheses of the study.

#### **THE IDENTIFIED PARAMATERS AND VARIABLES FOR THE STUDY**

To analyze the fact about the **Origin place** requirement for the registration procedure as well as **Awareness Mechanism**, the researcher had studied through secondary data as well as primary data to analysis various variables through structured Questionnaire. This research study revolved around the Paramaters and further moved to analysis the Variables of the study. These variables helped to frame the hypotheses of the study. The parametres and variables for this study is identified as follows: ( Detail explanation is in 6th Chapter, Please see Hard cover)

**Parameters of the study as follows:**

- **Sellers awareness**
- **Buyers awareness**
- **Silk mark awareness**
- **Labeling on Silk mark : Price, Quality, warning**
- **Should the GI symbol will benefit the sellers and buyers as well**
- **GI symbol Perception and Preference**
- **Media for communication**

The classification of the variables as follows:

Dependent Variables
<ul style="list-style-type: none"><li>• Transparency</li><li>• Reliability</li><li>• Credibility</li><li>• Pricing</li><li>• Quality</li><li>• Warning</li><li>• Labelling</li><li>• Media Communication</li><li>• Preference</li><li>• Perception</li></ul>

Independent Variables
<ul style="list-style-type: none"><li>• Awareness Mechanism</li><li>• Place of origin</li><li>• Registration procedure</li><li>• Experience</li><li>• Age</li><li>• Education</li><li>• Income</li><li>• Occupation</li></ul>

The Variables had been classified into Dependent and Independent Variables for this study is :

The study revolves around these variables, which are classified as Dependents and independent variables. In this study, the researcher have covered variables by testing hypothesis ( $H_1$ ) and Hypothesis ( $H_2$ ) on the bases of the field survey conducted with structured questionnaire (**Detail in 5<sup>th</sup> and 6<sup>th</sup> Chapter, Please see Hard cover**). The researcher has explained these variables with the help of diagram and tables in 5<sup>th</sup> and 6<sup>th</sup> chapter. The field survey was conducted to analyze the Awareness Mechanism and Origin of Place and the respondents( Buyer or Sellers) on the basis of their following Parameters:

- Certificate of Mark
- Standard Symbolic presentation
- Media for communication

The Certificate Mark or Standard Symbolic presentation of GI registered products were studied through Perception and Preference Parameters. This has been explained in chapter 6<sup>th</sup>. Therefore the broad study of GI were classified into Parameters and variables to get the appropriate response and information to make appropriate suggestion explained in 8<sup>th</sup> chapter. The appropriate research methodology used to make a study on the Origin of place and Awareness mechanism to protect the interest of the authorized seller and prospective buyer of GI registered Kanchipuram Silk Apparel.

## ❖ HYPOTHESES OF THE STUDY

- **H1-Registration of Geographical Indication is dependent on place of origin and quality of product.**

The above hypothesis were designed to study whether the registration procedure in Geographical Indication is dependent to check the place of origin and quality of product. In other words, whether the genuine procedure is used to check the origin to register under GI.

- **Ho- Registration of Geographical Indication is independent of place of origin and quality of product.**

The researcher felt need to formulate the above hypothesis to determine whether traditional strongly positioned unorganized sellers and genuine sellers are checked with the origin and quality for registering under GI. (Detail in 5<sup>th</sup> Chapter, Please see Hard cover)

- **H2- Buyers awareness mechanism of Geographical Indication of silk Apparel is compulsory through appropriate media.**

The above hypothesis was formulated to analysis the awareness mechanism of Geographical Indication of silk Apparel that whether it should be compulsory through an appropriate medium to avoid the duplication.

- **Ho- Buyers awareness mechanism of Geographical Indication of silk Apparel is not compulsory through appropriate media.** (Detail in 6<sup>th</sup> Chapter, Please see Hard cover)

The researcher wanted to analysis that why there is no compulsory mechanism to create awareness about the registered geographical Indication.

## ❖ RESEARCH METHODOLOGY FOR THE STUDY

The research study was pertaining to **Registration procedures** of the silk Apparel under ‘Geographical Indication ‘and **Awareness Mechanism** under an element of the TRIPs (Trade related Intellectual Property Right) in Mumbai market outlets since 8 years in India starting from 2005. The information has been collected through the both Data Sources.

- **Data Sources:** In order to pursue the study data has to be collected from secondary as well as primary sources.

**(a) Primary data:** Primary Data collection was done through Interviews with appropriate questionnaires (Survey Method). Detailed discussion, interaction and interviews with concerned Sellers and Buyers of silk Apparel (GI registered). They would be interviewed through schedules prepared for the same. Also, suitable and well-structured questionnaire was prepared for collecting information from the Sellers and Buyers. Mumbai is one of the big markets for silk, which makes its universe very big. Therefore, stratified random sampling method was used for data collection. Stratified random sampling was implemented to select respondents for the study from Mumbai metro. The selected sample size framework below:

**The sample size of the respondent from Mumbai metro is as follows:**

Sr.No.	Geographical Area	Silk Sellers	Buyers	Total
1	Central Line	35	100	135
2	Western Line	30	100	130
3	Harbour Line	22	100	122
			<b>Total</b>	<b>387</b>

Silk sellers includes Wholesaler, Semi-wholesaler, Retailers and Buyers in Mumbai metro. The Detail analysis on silk sellers and buyers had been explained in the 6<sup>th</sup> chapter.

**(b) Secondary Data:**

Secondary Data has been collected from Journals, Magazines, Periodical, on-line information (websites of registered associations). The published sources are specially government and Non-government sources such as:

- Periodical / journal of WIPO ( World Intellectual Property Organization ),
- NIPO (National Intellectual Property Organization), the National Institute of Industrial Property (INPI),
- Reports of CSIR AND NISCAIR. Published Article and research papers and other materials by Das Kasturi, Annual report of FICCI , Annual reports of Chamber of Commerce etc.
- Association of Silk wholesalers and popular markets in Mumbai., Karnataka Hat of Department of Commerce and Industry, Report of Union Ministry of textile.
- **UNPUBLISHED SOURCE**
- Income Statement/ Accounting Records of the producers, Annual Reports of Registered Association members, Ph D and Phil, Dissertations, etc.

## 2. Data Analysis (Quantitative Analysis)

The data was analyzed using SPSS (Statistical Package for Social Science). Statistical tool: Frequency Analysis, Cross tabulations, Chi-square test, ANOVA ( Analysis of Variances).

### ❖ LIMITATIONS OF THE STUDY

The present study has the following limitations like:

- The research is limited to Mumbai metro region.
- GI is a relatively new concept in India (since 2004 and not mandatory), therefore the literature available on the topic is limited.
- Lack of public awareness does not offer strong growth potential to business unit as yet.
- The empirical studies on GI are scarce.
- Non availability of academic literature is major limitation.
- Geographical indication has emerged, planned and initiated by world forums like (WTO, TRIPS, WIPO, and NIPO). All these world forums are developing the Geographical Indication elements at global level. The information like Patents, Trademarks are tremendous. These forums are also developing Geographical Indication element at global level depending upon the domestic level development.
- At domestic level only gazette information is available because registration process and documentation is time-consuming.
- 'Geographical indication' being collective mark because the registration is not by individual or person. It is by sellers/sellers association. So appropriate information and channel of distribution is not coordinated.
- The producing market and trading market is separated.

## CHAPTER SCHEME

The study on registration of Geographical Indication and its awareness mechanism has been divided in Eight Chapters.

### **CHAPTER- 1. Introduction**

This chapter covers topics such as Background of the study, Overview of Geographical Indication and Kanchipuram silk, Objectives of the study, Research methodology, Sources of data, Rationale of the study, Hypotheses of the study, significance of the study, Limitations of the study, Chapter scheme followed by concluding remarks.

### **CHAPTER-2. Review of Literature**

This chapter deals with review of literature in Four sections: review of literature pertaining to Geographical Indication Act, Policies, regulations, review of literature regarding Geographical Indication and India and review of literature regarding pertaining to Registration procedure of GI and awareness mechanism, Literature review regarding Kanchipuram Silk, its GI registration and India scenario . The information on review of literature has been collected from various reference books, journals, magazines and newspapers, Web-sites and Research Papers.

### **CHAPTER- 3. Conceptual Frame work of Study**

In the research study, the researcher has made use of certain terminologies that require greater understanding. Hence, the researcher has explained these concepts in the context of the research study to provided better insight into those concepts. These concepts are TRIPS, Patents, geographical indication, Intellectual Property, WIPO and NIPOetc.

### **CHAPTER-4. Geographical Indication and India**

In this chapter the researcher has highlighted the Geographical Indications of goods in India. Secondly the register and conditions for registration as well as the procedure for and duration of registration. This chapter also includes special provisions relating to trademarks and prior users,rectification and correction of the register, effect of registration, rectification and correction of the register,.

## **CHAPTER- 5            Registration Procedure of Silk Apparel under Geographical Indication**

This chapter has explained the proper classification of TRIPs elements. The chapter also covers details of WTO and TRIPS and WIPO functioning, policies, rules and regulations. A lot of literature discusses procedures and process of geographical indication registration in India. The researcher has highlighted the advantage and disadvantage of geographical indication element of TRIPs to India.

## **CHAPTER-6            Awareness mechanism and regulatory for Buyers and Sellers**

The researcher has highlighted market reality relevance to Geographical Indication awareness mechanism in the Mumbai metro region. The researcher has displayed the Geographical indication Gazette papers and procedures. This chapter also discusses about the techniques of data collection and pre-testing of questionnaires. The chapter particularly deals with the two questionnaires: ‘. The reliability of the two questionnaires is tested and the independent variables of all the questionnaires are determined. This chapter also includes hypothesis testing and techniques used in data analysis and its interpretation.

## **CHAPTER -7            Findings and Conclusions-Interpretation of Data**

Findings and Suggestions (Recommendations) The findings of the field study along with conclusions are included in this chapter. The researcher has explained general and specific findings and conclusions. The findings and conclusions of the study are based on primary data as well as secondary data.

## **CHAPTER 8            Suggestions and Recommendations**

On the basis of the findings and conclusions, this chapter provides suggestions and recommendations to buyers, and to sellers of regional branded goods. The researcher has left scope for future research by providing suggestions for the same. In general, the suggestions and recommendations are provided for better awareness mechanism.

- **Bibliography**

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