



Going after the big fish – IP Enforcement



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The advent and subsequent proliferation of the internet in India has been a boon as well as a curse for intellectual property enforcement. On one hand, it has become quite easy to spot infringements – especially considering how *blatantly* some people advertise their infringing wares and trade marks / trade names online. Which is quite mindboggling, considering just how easy and convenient it is to find out about intellectual property rights existing in a particular brand name, especially so for bigger brand names. On the other hand, such an easy availability of information and leads has bred a sense of complacency with respect to intellectual property enforcement – why delve deep into the very existence and the core source of the infringing goods when it is more convenient and *easy* to take down 50 small vendors committing infringement? The above sentences can be made clearer by two quite unambiguous terms – **Big Fish** and **Small Fish**.

A big brand owner, especially of goods that are a bit high on the price scale, would gladly take action against the said 50 vendors without any hesitation and go through the entire enforcement *process* – The investigation, the strategizing, establishing lines of communication, back and forth, etc – either in standalone cases or as a part of a market sweep. Its easy, its convenient and it shows success. This picking apart of the *small fish* does accomplish a lot as far as IP enforcement goes. The pertinent question at this juncture being - for how long shall this go on? If enforcement was to be perceived as a lopsided metaphorical tree, wherein all the *small fish* are branches, how many must be cut to eventually curtail infringements? The enforcement of the trademark rights of one brand in this manner, by cutting off the branches so that the supply/demand/availability of the counterfeit goods eventually dries out is not a bad strategy. It often leads to big victories. In many cases, that is the only strategy worth pursuing. Cutting off the branches does lead to the root wilting and weakening.



The Big Fish

Sometimes, the metaphorical tree of infringement is in fact not a tree, but more like the mythical creature Hydra. Cut off one head, another takes its place. The brand owner shuts down counterfeiters, but the availability of the counterfeit goods in the open market persists.

In these instances, it is imperative that the focus shifts to an altogether different strategy. Investigations and their focus thereof must change. The quest for answers must change accordingly with the end result in mind. The target of the investigations should change. Instead of targeting the branches of the metaphorical tree, the trunk as well as the roots need to be targeted.

It is not enough to merely find infringing products at the premises of 10 different counterfeiters and then shutting them down, or claiming damages. The target in some cases should shift to the source – *the origin*.

The origin

A usual market sweep on behalf of a big luxury brand will usually produce prima facie pleasing results – counterfeit goods being peddled by small vendors are found and steps are taken to stop the infringement. However, the question of origin of such goods needs to be raised and *actively pursued*. It is pertinent to note that such small vendors are loathe to disclose any information regarding the source of goods and many brand owners are largely satisfied by taking down the small fish, rather than incurring far more expenses to delve deeper into the matter by further investigations. The importance of such a “big picture” strategy has become very important whilst considering the advances of technology vis-à-vis counterfeiting – 3D printing, accurate manufacturing and alteration of logs that can pass off as original, availability of information about sourcing counterfeits for business from the dark web as well as the open internet network. The sale/demand/supply/availability of counterfeit goods needs to be targeted as such.

Securing the supply chain

While considering the origin of the counterfeit goods, it has to be kept in mind that all the goods might not be *imitations*. They might be factory surplus, or expired original goods. With such underlying doubts in minds, it is prudent to investigate the supply chain of the original goods to weed out the availability of counterfeits in the market. The above thoughts are very grave indeed. If counterfeiting were to be perceived as a disease, then in many causes the root thereof lies within the supply chain of the original goods itself. There are after all multiple checkpoints a product, especially a high end product under a big brand, has to pass before it reaches the legitimate retail shops and authorized sellers. There are many scenarios that may or may not be true, as on a case to case basis –



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- The possibility exists that out of a manufacturing batch of thousands of goods, a few slip out of the supply chain and are sold by unauthorized vendors at low prices, whilst at the same time making a comfortable profit. And the same occurs periodically, thus building up the stock of such goods in the market over time. This ensures a delicate balance of supply and demand in the market of counterfeit goods.
- If a thousand expired original goods are to be destroyed by the facilities of the brand owner, a percentage of goods might slip out of the process and end up in the market place. For some consumers, the date of expiration is after all not a deterrence. Or alternatively, the labels of such products can be altered before the said products reach the premises of the counterfeiters. Such recirculation of products is indeed a reality. After all, due to the advances in technology, it has become comparatively easy for counterfeiters to alter the date of manufacture of expired products.

In view of such underlying issues, there is a perceptible need to investigate the supply chain of original goods, so as to choke the supply chain of the counterfeit goods in the market. Investigations and enforcement actions should not only be focused *outwards*, it should only delve *inwards* sometimes to comprehensively crack down on counterfeiting. It is pertinent to state that such endeavors are more often than not, long term and comparatively expensive projects.

Going after such *big fish* may be time consuming and expensive, but it might end up being extremely rewarding and successful for brand owners.