

A study on branding of handicraft through Geographic indication with reference to Kashmir

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Abstract: Handicraft activities occupy an important position in the economic structure of J&K State. Being environment friendly, these activities are best suited to the state as they are more labour intensive and less capital intensive in nature, thus having scope for employment generation at a large scale. The Kashmir handicraft products have earned worldwide fame for their attractive designs, functional utility and high quality craftsmanship. However this sector has suffered a lot due to unorganized market Lack of skilled workers new technology and absence of brand image. So in order to improve the production and branding of handicraft Geographical Indication is needed. Geographical Indication (GI) identifies a good/product as originating in a particular region, where a particular quality of the good is attributable to its place of origin. GI will help Jammu and Kashmir producers differentiate the uniqueness of the products from similar competing products, establish brand and goodwill of local products, fetch premium price for such products, and increase sales/export by protecting reputation of the products. The essence of GIs is that specific geographic locations yield product qualities that cannot be replicated elsewhere. GI-registered product is produced using the GI technology. The purpose of this paper is to investigate the status of the geographical indication in the state of Jammu and Kashmir as well as its prospect. The state has so far brought six of its ethnic and region specific products under geographical indication. All of these products belong to only one product category i.e. Handicrafts. The state has huge panorama of using geographical indication for its unique and famous ethnic and region specific products. However, lack of knowledge about intellectual property rights is not giving proper value and recognition to the geographical indication in the state.

Keywords: Geographic indication, Handicraft, Branding.

1. Introduction

The state of Jammu and Kashmir is famous throughout the world for its scenic beauty, bracing climate and craftsmanship skills. It was during the reign of Sultan Zain-ul-Abidin, popularly known as Budshah or the great king who ruled Kashmir from 1420-70 AD that handicrafts were introduced in Kashmir. Jammu & Kashmir has comparative advantage in producing high quality and world famous fabrics of Pashmina and Kani shawls, silken, woolen and cotton fabrics and crafts like papier-mache, wood work, Tila work, Sozni, Crewel, etc. These products are famous world - over because of their unique craftsmanship. The handicraft sector has, however, suffered due to its unorganized structure, constraints of lack of skilled labour with good education background, low capital, poor exposure to new technologies, absence of market intelligence, poor infrastructure and institutional framework. So to overcome these problems Geographical indication can be a useful tool. GI will help Jammu and Kashmir producers differentiate the uniqueness of the products from similar competing products, establish brand and goodwill of local products, fetch premium price for such products, and increase sales/export by protecting reputation of the products.

Geographical Indication (GI) identifies a good/product as originating in a particular region, where a particular quality of the good is attributable to its place of origin. The essence of GIs is that specific geographic locations yield product qualities that cannot be replicated elsewhere. GI-registered product is produced using the GI technology (i.e., that the conditions of the area of production favour the attainment of quality). Some renowned GIs include Champagne, Tequila, Cognac, Pellar de Ica (Vegetable, Peru), Scotch whisky, Darjeeling tea, Cashmere wool, Havana cigar, Guacamayas (Handicrafts, Colombia). As these examples suggest, nearly all valuable GIs relate to agricultural products - and many are European in origin. GI rights are granted to a community/country or to all producers within a designated production area who comply with the product specifications to meet unique product criteria/quality. For example, Dhakai Jamdani is a traditional Bangladeshi origin product while Jasmine is Thai rice.

BENEFITS OF GI: GIs are needed to be protected in order to avoid misleading the public and to prevent unfair competition. Protection through GIs can enhance profits for producers through premium pricing. Studies have shown that consumers are willing to pay more for GI products. A study shows that Portuguese consumers are willing to pay up to a 30 per cent

price premium for GI-labeled olive oil. GI offers the possibility to establish a niche market for GI products and they provide increased profits due to the recognition of GI products. The Tuscano olive oil producers in Italy commanded a 20 per cent premium price ever since its registration as a GI in 1998 (Origenandino, 2013). Producers of milk used for Comté cheese are paid 10 per cent over regular milk prices. In Mexico, the GI product Tequila increased the price of agaves and other domestic inputs, resulting in increased profits for Mexican producers (Babcock and Clemens, 2004). GI products could also identify or represent a country as a brand to the global market like "Tequila" or "Champagne," which identify Mexico and France respectively to the rest of the world.

Why GI:

G.I. is necessary not only to save the particular product but the millions of people who are engaged in particular sector is benefited by the GI in different ways.

- Saving Traditional Craft: GI helps in saving the traditional craft of a country. It projects the particular products globally in terms of quality and authenticity.
- Providing livelihood opportunities: GI of a product promotes livelihood opportunities to peoples which help in stopping migration and getting good value of products.
- To Increase Labor Intensive Workforce: Countries like India where population is more than 100 crores, the GI plays a vital role by providing employment to millions of people of a particular sector especially handicraft and handlooms.
- Accumulation of foreign capital so as to increase national income and G.D.P. of the country.

2. Review of Literature

Saqib & Sultan, (2013) Geographical Indication (G.I) has emerged as one of the imperative instrument of intellectual property protection. Geographical Indication (G.I) is used worldwide as an instrument for marketing, branding and diversifying product portfolios. The paper aims to illustrate the prevailing practices of Jammu and Kashmir with respect to geographical indication. The paper also sheds light on the potential of Geographical indications in Jammu & Kashmir, particularly in Kashmir region. The paper concludes that most of these products are struggling with problems like absence of brand image. So government needs to establish policies and mechanisms designed to identify products with potential for protection through geographical Indication registration, to raise awareness of society and to offer financial support for acquisition and exploration of new geographical Indications.

Albayrak, Mevhibe & Melda in their paper explained that it is an important to aware the producers about geographical indication as it is an important tool of branding and protecting of handicraft of turkey. It is important to make the handicraft a world brand so by having the geographic indication of the handicraft which can help in branding of turkey handicraft.

Geographical Indication (G.I.) is a relatively novel but important instrument in intellectual property protection. The term "Geographical Indication" has been around for many decades, but it is actually since the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) entered into force in the mid-1990s, that it has come into widespread use. According to the 1994 WTO Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement, Article 22, paragraph 1:

Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, 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" (World Trade Organization, 1994).

Methodology

The study is exploratory in nature and it mainly consists of secondary data from different journals government records etc. The purpose of this paper is to investigate the status of the geographical indication in the state of Jammu and Kashmir as well as its prospect. For this the research design chosen is exploratory in nature. The research used various facts and data available through secondary sources for investigating the status of geographical indication in the state as well as its prospects.

3. Objectives of Study

1. To study the present status geographical indication of Kashmir handicraft product
2. To study the impact of GI on branding

Findings:

Geographical Indication (G.I) Registrations in Jammu Kashmir

Jammu & Kashmir has a rich history of ethnic and regional products that has evolved over the centuries. The legacy of Jammu and Kashmir ethnic and regional products promises traditional characters, beauty, dignity, different forms to styles etc. The magnetic appeal lies in its exclusivity and mystical value. The handicrafts industry occupies an important place in the economy of J & K. It provides direct and gainful employment to more than 3 lakh people and has the potential to generate more employment in future. The handicraft products have won worldwide acclaim for their exquisite designs, craftsmanship and functional utility. The woolen and silken carpets of the state remain unparalleled on the national scene for quality and design. The crewel, embroidered pashmina, and embroidered raffal shawls, pattern of Kani shawls, intricate wood carving, production of flora design in paper mache goods, etc., are some of the world famous traditional crafts of the state. In fact, the Kashmiri craftsman possessing a unique talent for intricate workmanship is one of the state's most important resources. This industry has a tremendous potential and has to be perceived with concern and

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with a precise understanding of its values. As an export oriented industry, it has contributed considerably towards foreign exchange earnings worth crores of rupees annually. But the industry is beleaguered with problems like

- absence of brand image,
- growing competition from machine-made products and
- Less penetration in domestic market and international market.

If no serious attention is paid, it will result in total abolition of this sector in Kashmir. The industry is facing an all-round assault from counterfeit products within and outside the state. Visitors and buyers fail to differentiate between the handmade and machine-made products and such fake products are being sold under Kashmir-made label.

Geographical Indication's status of Jammu and Kashmir

Table no: 1 Number of GI Products in Jammu & Kashmir as on September 2015

S.no	Application No.	Geographical Indications	Class	Goods (As per Sec 2 (f) of GI Act 1999)
1	46	Kashmir Pashmina	24	Handicraft
2	48	Kashmir Sozani Craft	24	Handicraft
3	51	Kani Shawl	25	Handicraft
4	181	Kashmir Paper Machie	16& 20	Handicraft
5	182	Kashmir Walnut Wood Carving	8 ,20 & 27	Handicraft
6	204	Khatamband	19& 20	Handicraft

Source: Compiled from GI Registry Office, as on September, 2015

Jammu & Kashmir stands 10th on the basis of geographical indications registered. The geographical indication in Jammu & Kashmir is not very much impressive because of its less number of products registered under geographical indication despite of rich ethnic and region specific product range. Karnataka, for example, have registered 31 geographical indications for its ethnic & traditional goods. Jammu & Kashmir has so far obtained only 6 geographical indications for its ethnic and region specific products despite of long list of such products up to September 2015 and these products have been able to protect its identity and brand image in the foreign markets. With Geographical indication these products have been able to get higher profits and high returns. Furthermore the state Government has also applied for GI

status for more handicraft products like Kashmiri silk carpets, Amblikar shawls, Namda and Pinjrakari.

Table No 2: Production and export of Handicrafts Goods (Rs. In Crore)					
Year	Carpet	Woolen Shawls	Papier Machie	Other items	Total
Production					
2011-12	624.70	702.20	102.70	385.73	1815.33
2012-13	643.00	656.30	145.00	398.91	1843.21
2013-14	684.05	631.20	141.24	559.33	2017.82
Export					
2011-12	567.13	607.03	98.24	370.97	1643.37
2012-13	455.86	620.02	104.11	358.29	1538.28
2013-14	551.90	579.72	39.96	524.07	1695.65
Source: Economic Survey 2014-15 Volume-I					

The boom in counterfeit Kashmir handicraft products have not only demoralized the local 50 lakh Kashmiri handicraft artisans and dealers but have given the industry a bad name and has resulted in the decrease of exports over the years. Jammu and Kashmir had exported handicraft items worth over Rs. 1643.37 crores in 2011-12, Rs. 1538.28 crores in 2012-13 and Rs. 1695.65 crores in 2013-14

The geographical indications from Jammu and Kashmir were first registered in year 2008 and then increased in the number of registered geographical indications. The Craft Development Institute is taking the initiative of obtaining geographical indications for ethnic and traditional products of Jammu and Kashmir. To start with, six handicraft products have been registered. The step is an important one in addressing the needs of handicraft industry in general and the artisan community in particular. The measure is meant to end cheap imitations and increase the brand equity of Indian handicrafts in general and of Jammu & Kashmir particular. Efforts are focused towards building an overall brand identity for handmade products from the state.

4. Conclusion

The state of Jammu & Kashmir is blessed with many ethnic and geographically unique products. These products have given a recognition and fame to the state. The magnetic appeal lies in its exclusivity and mystical value. However, most of these products are struggling with problems like absence of brand image, and the competition of counterfeit products within and outside the state etc. To overcome such problems

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state of Jammu and Kashmir opted for geographical indication in 2008. Although lately, the state of Jammu and Kashmir has realized the benefits and importance of the geographical indication. The state has so far brought six of its ethnic and region specific products under geographical indication. All of these products belong to only one product category i.e. Handicrafts. The state has huge panorama of using geographical indication for its unique and famous ethnic and region specific products. However, lack of knowledge about intellectual property rights is not giving proper value and recognition to the geographical indication in the state. Further myopic orientation of Government and supporting agencies and bodies are not giving an appropriate impetus for getting other category of products registered under geographical indication. Due to which still a large number of ethnic and regional products of Jammu and Kashmir are becoming prey of spurious marketers who sell fake products on the label of "Made in Kashmir or Kashmir Made". This is not only creating revenue losses to the state but also is tarnishing the image of the state in the market both in the international as well as national markets. This is going to be very much detrimental to ethnic and regional products of the state of Jammu and Kashmir in the future. The Jammu & Kashmir government needs to establish policies and mechanisms designed to identify products with potential for protection through geographical Indication registration, to raise awareness of society and to offer financial support for acquisition and exploration of new geographical Indications.

Remarks

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