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Brand Sensex enters the trademark ring
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MUMBAI: Somewhere midway in the stunning bull run, there has been a move to legally ringfence one of India's biggest brands, the Sensex — a name that has captured the nation's collective imagination and has emerged, somewhat deceptively, as the biggest barometer of India's growth story.

Asia's oldest bourse — the Bombay Stock Exchange — has sought trademark protection on the brand, along with 24 other trademarks, and the application is currently pending. Confirming this, the BSE spokesperson said all the trademarks will be registered in name of Bombay Stock Exchange shortly.

Interestingly, the exchange has already obtained the registration of the trademark Sensex along with other trademarks like 'The Stock Exchange, Mumbai', 'BSE' and 'DOLLEX' (the dollar-linked version of some of the benchmark indices) in the US. What has triggered the move? It's possibly part of the customary practice in the IPR regime where the BSE has joined several other companies to get trademark rights on various services and brands.

However, it could also be part of a big structural shift where the bourse has been corporatised and foreign institutions have picked up stakes.

According to Prerak Hora of law firm Nishith Desai Associates, "Many old companies which are receiving foreign investments are going in for safeguards like registration of trademarks and patents. A brand is an intangible asset, and such safeguards help the company get a better valuation."

Even though the BSE is the rightful user of Sensex, the application for trademark registration was made just a year ago — two decades after the bellwether stock index was compiled. The Sensex was launched in 1986, based on 30 stocks of large, financially solid companies. Since then it has travelled a long way.

Said Harish Bijoor, chief executive of brand consultancy Harish Bijoor Consults, "If I were to do an off-the-cuff valuation of the Sensex brand, I would first attach a value to it relative to the other brands that swim in the same set — the RBI, GoI, Ficci, CCI and Nasscom, for instance. Amidst these, after the Government of India and the RBI, the Sensex would be the most powerful brand. It's hard to put numbers behind this."

What's important is that the Sensex is no longer purely an index of the share market. "So far, the Sensex has meant something to only Indians, but as cross-border trading increases, its strength will gain significantly," added Mr Bijoor.

According to Nabankur Gupta, founder of Nobby Brand Architects & Strategy Consultants, globalisation is one of the biggest motivations behind trademarking the Sensex brand.

"As global trading increases, there is a compulsion to have powerful brands, and the Sensex could emerge as one of the strongest brands in its genre. The world trading community cannot ignore India any longer, and as the quantum of trading into India increases, the Sensex will gain strength. In fact, it may well emerge among the Top 3 after New York and China," he said.

The BSE has applied for registration of trademarks under Class 36, 35, 41 of the Trade Marks Act 1999. Significantly, services marks were included in the Act in September 2003. Before that, companies used to get trademark registration under class 16, which covers brochures and stationaries of the applicant.

"Great brands have personality, trust, heritage and emotions attached to them. The Sensex, which is all about well-being and adding wealth, has all this, making it a powerful brand. Today, the wealth of the country revolves around the Sensex, which gives you a measure of the trust it enjoys. The Sensex has a God-like persona, a bit like Kuber, the god of wealth in Hindu mythology," says Gupta.