

The IP game India must learn to win

The Prada-Kolhapuri controversy highlights a deeper crisis in protecting Indian innovation

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What happens when a billion-dollar luxury fashion house copies a Rs-1,000 traditional Indian craft, rebrands it, and sells it for Rs 1.2 lakh? The Kolhapuri chappal vs. Prada controversy is not just a case of imitation – it is a reminder of a recurring strategic failure: our inability to protect what is ours.

In game theory, there is a classic asymmetry between players who know the rules and players who don't. The global intellectual property (IP) regime is one such game. Developed economies are seasoned players – they know when to patent, how to trademark, and where to litigate. India, on the other hand, often enters the field blindfolded. And in such a setup, a hungry lion will always pounce on an unguarded fawn.

Kolhapuri chappals, handcrafted by artisans in Maharashtra and Karnataka, date back to the 13th century. Each pair takes roughly 40 hours to produce – stitched without nails, dyed using natural ingredients, and polished with natural oils. The techniques are ancient, the materials sustainable, and the design elegant. All of which align perfectly with current global trends: slow fashion, handmade authenticity, and circular design. Why wouldn't a luxury brand tap into this? The risk is low. The reward is massive.

Despite receiving a Geographical Indication (GI) tag in 2019, the Kolhapuri chappals' aesthetic and design features were never protected under the Designs Act. Prada did not use the name "Kolhapuri", thus sidestepping legal liability. This is strategic evasion in plain sight – exploiting the gaps while avoiding protected terms.

Contrast this with Christian Louboutin which trademarked the red sole and aggressively defended it in courts. In contrast, Indian creators often treat IP as an afterthought. Our artisans don't just lose revenue; they lose ownership of centuries-old traditions. And this pattern is not new. In the 1990s, US institutions were granted patents for the wound-healing properties of turmeric and specific grain characteristics of Basmati rice. In both cases, Indian agencies protested. But protest without preparation is a losing strategy.

India signed the WTO TRIPS (Trade-Related Aspects of Intellectual Property Rights) agreement in 1995 – committing to harmonise its intellectual property laws with those of the developed world. But we were underprepared. The West had institutionalised IP over centuries; we barely

understood its full implications.

The result? Over 70% of patent filings in India come from foreign companies. China faced the same global pressure – but played the game differently. They delayed their TRIPS commitments until 2001, invested in local IP literacy, strengthened domestic industries, and implemented selectively. Today, China has surpassed the US and is the world leader in patent filings – with over 70,000 in 2024 compared to India's 4,500. That is not coincidence. That is strategy.

Game theory teaches us that players respond to incentives. If the payoff from copying is high and the penalty is low, rational players will continue to copy. This is not just about footwear. It is about livelihoods. IP is the bridge between creativity and capital. If we cannot protect the former, we will not attract the latter.

What must be done?

India must ensure legal aid for artisans, fast-track IP courts, and initiate local IP awareness campaigns. Select cases such as Kolhapuri vs Prada can be pursued internationally. Even if we lose, we signal intent. IP needs to be used as collateral. Handloom clusters, tribal arts, and leather goods can attract capital if their IP is formalised.

The real issue is whether India can learn to anticipate, deter, and strategically respond to imitation. In repeated games, reputation matters. Once you are known to fight back, others think twice. India needs a national IP enforcement body that picks a few strategic cases and pursues them relentlessly – even at high cost. A single high-profile win can reshape the game.

Multinational Corporations act rationally. If the cost of copying is negligible and the gains immense, they will keep doing it. To change this, we need to shift the payoffs. If the GI tag does not stop an infringer, a registered design, a collective trademark, or a copyright might.

India's informal sector is stuck in a Nash Equilibrium: everyone acts in their own narrow interest. Some innovate, some complain, and most ignore IP. No one wants to be the first mover. But a co-ordinated shift can push the system to a superior outcome, where no one is worse off and everyone benefits, especially the artisans.

Let Kolhapuri be the pivot. Not another item in the long list of cultural losses, but the beginning of a smarter, more strategic response. In the end, lions stop hunting only when the fawn stops looking helpless. India must stop playing victim – and start playing smart.

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