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February 03, 2021

Shri Paritosh Singhal
Addl. CEO
Government e-Marketplace (GeM)

Subject: Proposed merger of “OEM Cartridges/Consumables” and “Compatible Cartridges”

Respected Sir,

Greetings from MAIT!

This letter is in the context of the proposed Merger of Products Category on GeM. We understand that the proposed merger is to provide a convenience to GeM customers while selecting the right Cartridges/Consumables for their machines. The new system should help the customers in finalising the technical specification of their RFP after identifying & selecting the right printing solution for their daily office needs. However, after reviewing the proposal regarding the Merged Category and discussions with GeM, there are some grave concerns which industry **needs your immediate attention.**

Earlier, in the year 2017, there was a single category for consumables, however, it was segregated by GeM after getting various complaints & challenges faced by the customers. Many customers whose intent was to buy an original/OEM cartridge, bought compatibles since they are using brand catalogues/images to wrongly promote their compatibles. Such compatible cartridge vendors are misusing GeM portal & is seen as a trademark violation. The imitations and compatibles have been misusing the GeM marketplace through serious IP infringement by not adhering to the prescribed IP related norms. Although, the industry has escalated this matter many times to your good offices, however, a little could be done or stop such unethical practices adopted by compatible vendors on GeM portal.

Both the categories - OEM cartridges & compatible cartridges, were kept separate in order to provide due clarity to the customers to make an informed choice. Industry is of the view that after merging both the categories, it will once again become very difficult for the customers to identify the original OEM cartridge/ consumable that he seeks, from same looking compatible and will land up ordering a Compatible or counterfeit Cartridge /consumable. The threat from the influx of **counterfeit products** will be higher making it impossible to keep a check on the merged category.

Brands have invested significantly to ensure the best print quality performance, environment, sustainability and lifecycle of the printer. These are the parameters on which research is done for the design and manufacture of OEM Cartridges and Consumables.

Request GeM to clarify the objective behind this proposed move to merge the categories. Industry has some serious concerns as mentioned below and appeal to GeM to address before this is implemented.

- 1) There should be clear **demarcation** of both the categories – OEM and Compatible before the landing page itself. The customer can **choose only one** from these categories and should not have access to the one other than his selection.
- 2) The use of compatibles could impair the warranty on the print hardware. We strongly recommend that a pop-up should appear while the customer is making a choice for compatible that – *‘Use of non-OEM Cartridges/Toners may impair the warranty on the print hardware. Do you like to proceed with your selection?’* requiring the customer to make an informed affirmative choice on their decision to buy compatibles, well aware of the impact it may have on the print hardware warranty. The customer then can make an informed choice and will be aware of the consequences in the event of damage to the printer.
- 3) In addition to the above, OEMs should get a space to write & provide a link for warranty terms & conditions for greater clarity & transparency to the GeM customers. This will address the requirement as stated by GeM’s terms & conditions.
- 4) Industry requests GeM to share the **demo version** or **prototype** of the merged Category for its inputs and concerns before actual implementation of the same on the portal.
- 5) Compatible brands shall not be allowed to use OEM List of Values (LOVs) i.e. Part No, Model Number, Description, etc.
- 6) GeM needs to ensure prevention of the misuse of OEM product images, brand name and product description, etc.
- 7) As suggested by GeM that OEM shall take actions against the sellers, therefore please provide the facility to OEM’s to see the complete sellers’ details i.e. Company details, registered office address to initiate any legal actions in case of brand infringement or IP violation issues.
- 8) There are multiple concerns on the proposed Technical Parameters which the industry needs GeM to address. We request for a **meeting with the GeM technical team** for an in-depth discussion on how GeM and Industry can go about meeting this objective.

We request you to kindly maintain the **status quo** till we discuss all the implementation modalities to avoid any customer escalations later.

With regards,



George Paul
Chief Executive Officer

CC: Shri Talleen Kumar, CEO, Government e-Marketplace
CC: Shri H R Sharma, Addl. CEO, Government e-Marketplace
CC: Shri Rajesh Jain, Dy. CEO, Government e-Marketplace
CC: Shri A K Rai, Dy. CEO, Government e-Marketplace