



October 2010

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President's Message

Dear members,

We are well into another year of activities and events organized by the Executive Committee of LES Singapore. For those which are new to the Society this year, our current members of the Executive Committee elected at the recent AGM on 27 May 2010 are:

President - Chiew Yu Sarn (Partner, Yu Sarn Audrey & Partners)
Vice President – Suresh Sacchi (General Counsel & Head of Legal, Agency for Science Technology & Research/ASTAR)
Secretary – Audrey Yap (Partner, Yu Sarn Audrey & Partners)
Treasurer- Sheena Jacob (Partner ATMD Bird & Bird)

Exco members:

Wilson Wong(Partner, Amica Law)
Dr Sze Tiam Lin (Senior Vice President, IPM Division, Exploit Technologies)
Dr Alex Yu (Director of the Innovation & Technology Transfer Office at Nanyang Technological University (NTU)
Dr Elissa Lim(Legal & IP Policy Manager, ASTAR)
Max Ng (Partner, Gateway Law)
Sharon Chiang (Manager, IDG, ASTAR)

We have already held a number of events this year, including a seminar entitled "Linking the World through Innovation and Food" in collaboration with the Singapore IP Academy and WIPO to celebrate World IP Day on 26 April 2010, LES Singapore also organised. This attracted a large number of participants, nearly one hundred, including many from the food and beverage industry. The event featured speakers from the food industry, speaking about their experience with innovation and IP in their business.



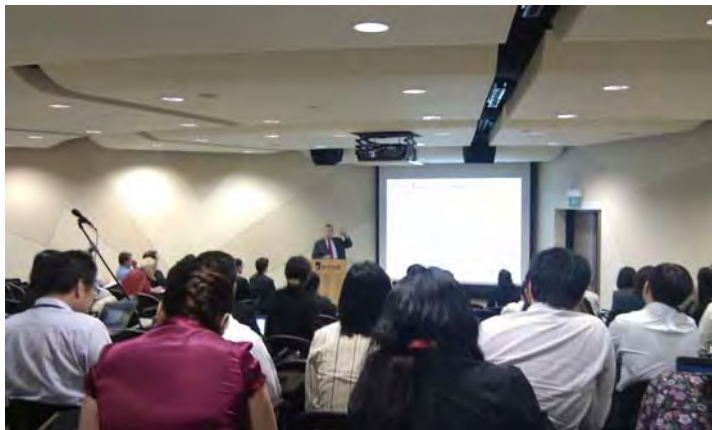
In May 2010 we held our first joint ASEAN society meeting between LES Philippines and LES Singapore in Manila. This event attracted between 80 – 100 participants from Philippine government agencies, universities, industry and law firms over two days. LES Singapore sent a contingent of 5 speakers to support the event.





One of the core objectives of LES is to promote education and training for licensing and IP professionals. We conducted a Basic Licensing Course on 19-20 July 2010. We had 20 attendees of which 2 signed up as LES members.

We held a seminar on 31 August with WIPO and A*STAR entitled "Open Innovation and emerging IP rights". We invited President of LESI, Mr Pat O'Reilley, as well as Dr Mark Horsburgh (Chair of Patent and Technology Licensing Committee LESI) to visit Singapore and to speak at the event.



On the international front, we sent delegates to attend LESI Delegates Meeting which coincided with the Annual Conference of LES USA & Canada in Chicago from 26 to 29 September 2010.

Even as we approach the end of the year 2010, we have more on our event calendar. We will be holding another seminar on 6 December 2010 in collaboration with WIPO and A*STAR entitled: "Collaboration And Negotiation Of Cross-Border Research And Development And Technology Transfer Agreements: Dialogue on Intellectual Property Rights and Dispute Resolution Issues". The Singapore Institute of Arbitrators has also agreed to be a supporting organisation for this event. This promises to be another interesting and educational event. Do look out for the announcement by email and on our website. I look forward to meeting all of you there.

Please remember to renew your membership for 2011. Reminders will be sent out in December to existing members. If you have benefited from LES membership, why not invite your colleagues and friends to join? LES Singapore is a growing society providing education and networking in the exciting area of intellectual property. Join

us and be part of a great international network of professionals and business people who are interested in the global business of IP.

Yours sincerely,

Chiew Yu Sarn
President
LES Singapore

UPCOMING LES EVENTS

Event Name	Date	Location
2010		
<u>CLP 2010 Exam Window and Deadline</u>	October 1 - 31, 2010	
<u>IUGT IP Expo Weekend</u>	October 23 - 24, 2010	Shanghai, China
<u>Licensing Course 2010</u>	November 14 - 16, 2010	NH du Grand Sablon, Brussels, Belgium
2011		
<u>International Delegates Winter meeting</u>	January 28 - 30, 2011	Rio de Janeiro, Brazil
LES International Conference		
<u>* International Delegates Meeting</u>	June 3 - 5, 2011	London, United Kingdom
<u>* Annual Conference</u>	June 5 - 8, 2011	
LES USA & Canada Annual Meeting		
<u>* Annual Conference</u>	October 16 - 20, 2011	San Diego, California, USA
<u>* International Delegates Meeting</u>	October 20 - 22, 2011	

THE CHANGING ROLE OF INTELLECTUAL PROPERTY IN THE KNOWLEDGE BASED ECONOMY.

Introduction:

A similar phenomenon is taking place right now in the field of intellectual property to that which took place in business activity over the past two decades. The drivers are principally the growing importance of the knowledge based economy and the shift in the balance of business focus occasioned by the rise of major trading nations such as Brazil, China, Russia, India and The ASEAN Nations. In the year 2010, we live in a time of great and sweeping changes.

Changes in Industrial Practice:

Some twenty five years ago industrial leaders like Dow Chemical, Philips or General Motors could guarantee their success by owning the value chain from research through manufacturing all the way to customer sales. This power is a feature of the Industrial Economy typified by The Ford Motor Company of the 1930s in the USA which was extremely successful in establishing and benefitting from this business model. However, this model has its limitations in that it is inflexible, and in that it for a large part excludes the knowledge available outside the company.

Since 1985, a radical change has taken place in industry as regards sourcing and transacting of knowledge: today we have a disaggregated market in which know how and components are sourced on a global scale, the final article may be assembled in one central location from components made by different suppliers, and the channel to market may be multiple simultaneous channels under different brand names.

The advent of the Knowledge Based Economy complemented by global internet based communications has been a major driver of this change, as has the globalisation of business.

Against this backdrop Dow Chemical has been extremely successful, first rationalising its IP Portfolio to deliver best value and then focusing on key future markets. Know how is now regularly transacted both into and out of Dow Chemical as part of the normal business process. The success of this approach as part of its business renovation process can be seen in the acquisitions by Dow Chemical of Union Carbide¹ (1999) and of Rohm & Haas Company² (2008). Philips has reversed its previous in-house monopoly on new developments to in-source many innovations and has formed appropriate joint ventures to develop and market products, an example of which is the cooperation that exists between Philips, Sony, Pioneer and LGE to develop, manufacture and sell DVD players and

1 <http://www.dow.com/about/aboutdow/joint/union.htm>

2 <http://www.dow.com/personalcare/news/2009/20090401a.htm>

technology³. General Motors has been less successful in adapting to the knowledge age: GM entered bankruptcy protection in June 2009⁴ emerging from bankruptcy a few months later. The best selling saloon car on the US market in June 2010 as in previous years is the Toyota Camry⁵.

The Changing Role of Intellectual Property.

Intellectual property is becoming more and more a business tool supporting the business process in an environment in which businesses seek to create, extract and release maximum value from the combination of their hard assets, structural capital (recorded know how), intellectual property and people skills.

The skill of the IP professional in helping the client create meaningful and strong IP protection is becoming one of the main sources of competitive advantage. The role of the IP professional is thus augmented to include that of IP mentor, especially for SME companies.

Several countries have created government backed organisations to inform companies, especially SME companies, of the importance of managing intellectual property and the knowledge base well. The most prominent of these organisations are The IP Academy in Singapore⁶, The IA Centre in Scotland⁷ and The Syrian Economic Business Centre⁸. One country, Japan, has implemented a part mandatory programme of "Intellectual Asset based Management"⁹ for SME companies.

The European Union has augmented the former International Relay Centres (the largest technology transfer network globally to focus on SME companies) by adding an advisory service thus creating the Enterprise Europe Network¹⁰.

Intellectual property is thus assuming an ever increasing role as the knowledge content of goods and services, and indeed of everyday life, increases.

³ <https://www.ip.philips.com/services/?module=IpsLicenseProgram&command=Print&id=31>

⁴ http://money.cnn.com/2009/06/01/news/companies/gm_bankruptcy/

⁵ <http://autos.aol.com/gallery/best-selling-cars/>

⁶ <http://www.ipacademy.com.sg/section/home.html>

⁷ <http://www.ia-centre.org.uk/>

⁸ <http://www.sebcysria.org/web2008/index.php>

⁹ http://www.meti.go.jp/policy/intellectual_assets/english.html

¹⁰ http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

The growth of the economies in countries like Brazil, China, Russia, India and The ten ASEAN Nations provides a further challenge due to the differing views held in each of these fourteen nations on the role of intellectual property and how this role should be managed. This increasing diversity provides new challenges for the creation, use and management of intellectual property, in that the conditions persisting in the country of use must always be borne in mind.

The knowledge based economy brings new opportunities, challenges and risks, which in turn mean that the role of the IP Professional would appear to be expanding in scope and in its requirement of greater partnering of the IP Professional with business leaders in order to better assist them in meeting their goals. The use of intellectual property as part of an intellectual capital (or knowledge focused) approach is probably the most powerful contribution that can be made. As a leading knowledge based economy in Asia, Singapore has a leading part to play in shaping these changes in the role of intellectual property, and in benefitting from Singapore's unique best practices in releasing knowledge potential.

The author Dr. Gordon McConnachie, who lives in Thailand, is an expert in the creation, extraction and release of value from all forms of intellectual capital including IP. He is an independent consultant and also currently Chief Technology Officer of the Asia Pacific Intellectual Capital Centre in Hong Kong (www.apicc.asia). The role of APICC is to raise awareness and provide support to companies, academia, government and all organizations in Hong Kong SAR as they seek to participate in and take maximum benefit from the knowledge economy, and to network them into the expertise currently being generated in the IC Centres around the world and in Mainland China. Gordon was a key member of the core team which (1990 – 1999) created and implemented the Intellectual Capital Management approach at Dow Chemical. He may be contacted at gordon@gmconnachie.com or at gmconnachie@apicc.asia or on his cellphone at +66-8-9923-5110.

World IP Day – Linking the World through Innovation and Food

On April 26, 2010, LES Singapore together with IP Academy and World IP Organisation (WIPO) held the first World IP Day event in Singapore. Nearly one hundred people attended the event which featured several speakers from the food industry.

The issues that were presented and discussed included trademarks, trade secrets, food designs, innovative manufacturing mechanisms, as well as the 'look & feel' of retail outlets – all these form a company's unique fingerprint and allows it to thrive in a competitive marketplace. How do F&B companies protect manage and grow their businesses using all these? What was the nexus with IP?

Jose Luis Herce Vigil Project manager for WIPO Singapore spoke about how SMEs should learn how to tap the patent database available through WIPO websites to better understand technology and to help improve their own products. He cited many stories and examples from around the world. Knowing how to mine this information allowed businesses in less developed countries use technology without reinventing the wheel. Audrey Yap, Managing Partner of boutique IP law firm Yu Sarn Audrey & Partners and Vice Chair of the Asia Pacific Committee for LES International (LESI) shared about the different ways IP can be monetized and also how IP can impact an SME's growth. This includes understanding that IP can be used to protect an SME's key assets like its brands, technology or secret recipes. She explained that IP is not just a legal tool but also a business tool that has increased tremendously in value in the past few years. Professor David Llewelyn, External Director and Deputy Chairman of IP Academy talked about a no-nonsense approach to using IP for SMEs and the IP life cycle. He discussed best practices such as having regular IP audits and understanding costs & risks of enforcing IP, managing the process, choosing the appropriate IP and method of exploitation.

The panel of speakers from industry included Datuk Steven Chiew, founder and director of Donut Empire who shared his experiences of rebranding because his earlier mark faced opposition from a conflicting mark owned by a third party. Because another company owned the trademark that he had started using on his products, he had to change his identity and start over. This experience helped him to better appreciate trademark protection and he made sure he could register his new mark Donut Empire. He explained how he overcame those challenges and grew his doughnut empire.

Another panelist was Mr. William Lim CEO of Old Chang Kee, well known for delicious curry puffs and hot snacks. He explained how important understanding the

value of IP was to his company and how he trained and motivated his staff to appreciate and respect company IP.

Mr. Louis Malta Bey, Senior Regional Franchise Manager from Pasta Mania talked about his experiences trying to register the company trademark as they grew regionally. Because the words “pasta” and “mania” were fairly common or popular for Italian or casual dining, Pasta Mania had to reconsider its name and brand, and even rebranded franchises outside of Singapore as it faced obstacles expanding and owning the trademark in some countries.

Last but not least Adrin Loi of the famous kaya toast (bread with coconut jam) company Ya Kun International shared his “recipe for success” and explained how the company grew at different stages and what advantages they drew from having an IP portfolio that was managed. He highlighted examples of his own brand and franchise journey and had many nuggets of wisdom in his talk as well as practical tips for SMEs in the food & beverage business.

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