How to manage your intellectual property when trading internationally
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**Introduction**

Do you intend to sell, distribute or perhaps manufacture your product/service outside Singapore? If so, you need to remember that the IP rights that protect your business model are mostly territorial. Follow this guide to ensure that you have taken all necessary steps to protect your rights in overseas markets.

If you have read and followed the approaches set out in this series of guides carefully, the IP you have developed in your business should be secure in your home market. However, any IP registrations that protect your competitive advantage in Singapore have no effect in overseas markets. The purpose of this guide is to help you understand and action the steps you need to take in order to ensure that your valuable IP is protected in any potential overseas market that you have identified for your company’s products or services.

In an increasingly globalised marketplace, your business will find itself trading alongside other companies that have their competitive advantage protected by IP rights. You need to be able to compete on level terms. While copyright is automatic and fairly consistently observed in most nations, almost every country around the world has its own patent, trade mark and design protection regimes, and you will need to make a suitable application in order for your IP to be protected to the same extent as it is at home.

Fortunately, thanks to a range of international conventions and agreements, particularly TRIPS (Trade Related Intellectual Property Rights), the Paris Convention, the Berne Agreement, the Patent Cooperation Treaty (PCT) and the Madrid Protocol, a number of pathways exist to help you extend and enforce your IP rights in other countries. These make it easier to use your existing rights (whether granted or in progress) to obtain patents, trade marks, registered designs, copyright and related protection in the territories you need. They also provide a means to ensure your geographical indications, layout-designs (topographies) of integrated circuits and database rights will be respected. Not every country has signed every agreement though, so the rules are not harmonised everywhere.

Small companies with limited resources starting to export can find it particularly difficult to understand how to obtain and enforce IP rights in foreign markets, or which territories to prioritise. The type of protection that will be most important will depend on the strategy you adopt: this guide will show you what you need to consider.

When you are taking your company’s business operations overseas, there will be occasions where you will need to take legal advice either from an adviser in your home country or from a recommended contact in the target foreign jurisdiction. This will help you to avoid the pitfalls and reap the benefits!

Produced by IPOS International, these intellectual property management (IPM) business guides aim to deliver a suite of IP solutions for enterprises based on industry best practices. As the expertise and enterprise engagement arm of the Intellectual Property Office of Singapore (IPOS), IPOS International helps enterprises and industries use IP and intangible assets for business growth. Some of these engagements may be eligible for Enterprise Singapore (ESG) funding, such as the intangible asset audit and strategy development aligned with business goals. IPOS International’s business portal [www.iposinternational.com](http://www.iposinternational.com) also contains case studies and videos of enterprises leveraging IP to gain a competitive edge in their innovations. Should you have questions on IPM matters or wish to speak with our Intellectual Property Strategists, do email us at enquiry@iposinternational.com or call +65 63308660.
So you want to “go global”...
1. So you want to ‘go global’ ...

In the past, companies might have regarded setting up an office in each export market as being the logical way to expand internationally. Today, this is just one of a wide range of strategic choices—all of which require you to take some form of action regarding your IP.

In considering which strategy suits you best, you need to consider the potential drawbacks and costs, and how well aligned each option is with your resources and goals. Some are easier to execute than others; even some of the simpler routes can provide an effective way of putting a ‘toe in the water’ in international markets.

The ten examples below give you an idea of just how much choice you may have. In the sections that follow, their IP implications are considered.

1. Establish a website which provides only digital goods and services, or sells goods/services which do not require demonstration or explanation by a local sales representative

2. Target specific clients within a foreign market and sell to them by making periodic visits, without having a local sales presence

3. Sell directly to overseas customers by taking advantage of trade visits and exhibition support in markets where you have identified demand

4. Identify and work with local distributors, who can provide you with a market presence and reduce your own sales and logistics resource requirements

5. Establish a franchising or licensing model, and teach other people how to sell your products or services locally in an international market

6. Take advantage of special trade incentives. Certain countries offer incentives to encourage international companies to set up overseas offices; these may include special ‘zones’ that provide preferential terms (such as ‘free trade’ zones)

7. ‘Buy to build’ by making acquisitions overseas. Buying a company that already has market and customer access can facilitate rapid growth and improve access to local knowledge

8. Develop joint ventures to share resources, knowledge and risk. This may involve partnering with another local business that also wants to set up a presence in your target territory

9. Alternatively, if resources allow, retain all ownership in the new business by setting up a fully-fledged overseas presence of your own

“There are many different ways your business can start to generate export sales—just don’t forget the IP dimension!”
Centralise ownership of your IP by setting up a holding company (which you will probably wish to locate in a favourable tax jurisdiction). You can then license the IP to operating companies within your own group or to third party licensees, franchisees, agents and distributors in return for royalties or licence fees.

These choices are not mutually exclusive—you can move between strategies, or try more than one at once. But whatever expansion route you choose, you have to remember that most of the IP rights that you have developed in your home market will not be automatically protected when you trade overseas.

Having the appropriate IP rights is more critical for some market entry strategies than others, but all will benefit from 10 approaches summarised in the previous section. The only member of the IP ‘family’ that you can reasonably assume should apply automatically in most countries in which you trade will be copyright.

This means there is a presumption that unauthorised copying of words, images and software code is not allowed. There are, however, variations on the steps you may need to take in order to be able to tackle infringers, referenced in the following chapters.

From an IP perspective, the three ‘lighter touch’ business models described in (options 1, 2 and 3 covering website sales, periodic visits and trade shows/exhibitions) are likely to be the least complex in IP terms. Provided that you have the rights you need to sell your products and services (i.e. you do not infringe anyone else’s IP), there should be little to stop you from trading in this way. The main drawback of selecting one of these models is that you simply would not have a local presence to help you determine whether people are taking your ideas and copying them.

As soon as you get to the point of appointing a local distributor, licensee or franchising network, as set out under options 4 and 5, you bring other parties on board who have a vested interest in ensuring that your rights are not infringed. The ‘flip side’ of this is that you have to enable them to trade profitably, by using your IP to make the business proposition sustainable in the longer term. You will certainly need to consider extending any trade marks you have: depending on the stage you have reached in any patenting or design registration process, you may or may not be able to ensure that the territories you have in mind are covered.

Arguably, the most IP-intensive strategies of all are numbers 8 and 10, where joint ventures and holding companies are to be established. In the case of a joint venture, because your technology, product or service is going to be part of your ‘stake’, you will need to ensure that its IP is adequately protected. In the case of an IP holding company, the basis of your trading model is likely to be that you make a profit by licensing in-market use of your IP. Clearly, you cannot do this unless you have the necessary rights in each country where you trade.
1. So you want to ‘go global’ ...

What other considerations might have a bearing on my IP strategy?

International expansion is not just about what rights you might want to license or enforce—it is also about the rights you might infringe. You will also need to consider whether you need to make changes to your products or services to make your business model work, either by localising them, or adopting different manufacturing and distribution arrangements.

The number one point you will need to establish is whether you can trade legally in your target countries. Alongside customs, trading and shipping laws, you will also need to consider IP. Since these rights are territorial, you could easily trip over other people’s IP that is not applicable in Singapore because they have only chosen to register their rights in other markets.

It is a good strategy to conduct searches in order to determine whether you are likely to face accusations of infringement, whatever expansion plan you choose to adopt. As a minimum, this should include the brands you intend to use (by conducting a search for any prior registered trade mark rights). In some territories, including the USA, Japan and South Korea, it is particularly advisable to check patents if there is any chance they could be relevant.

Another vital question is whether you can trade profitably. Economies around the world exhibit very substantial variations in the levels of education, infrastructure development, technology adoption, health and wealth, before even considering cultural attitudes. If your IP is linked to your business model, that model may need to be substantially adapted, which could, in turn, mean that you need different IP. For example, if you are a pharmaceutical company with patent applications in a number of countries, you may find that some IP regimes (such as India) do not allow you to obtain the exact same rights coverage.

Localisation is another challenge. This can be a lot more profound than translating into a different language or changing the operating voltage required by a product. As an example, purchasing preferences can affect the sizes, colours and styles of goods that sell best, and these differences might move you outside any design protection you are currently putting in place.

There may also be IP implications in the production and delivery arrangements you wish to adopt. If you intend to import everything to your new market, then the main

“Your IP strategy needs to consider not just what you might want to file, but what rights may already be in force.”
What’s the best way for me to get a better feel for these markets?

“Plan ahead and start to make contacts that you can meet at events in your target territories.”

If you are thinking of exporting to a new country, there is no substitute for visiting it in person. Many industries have programmes of international trade shows in which small exporters can participate, for which subsidies and grants may also be available. You do not need to offer any goods or services for sale in order to pick up valuable market and IP intelligence. However, it pays to do your homework first.

Fairs, exhibitions and trade missions can be a waste of time and money if you do not prepare for them properly. A good principle, once you have identified a market of interest, is to dedicate at least one member of staff to planning and preparing all that is required to make your attendance successful, and to do so in plenty of time.

Visits are always more productive if you know before you go that you will be meeting with relevant individuals (rather than simply relying on ‘passing traffic’ at a booth or exhibition stand). When you target people, consider making contact with locally-based advisers who can tell you more about management of IP rights; you may be able to pick up valuable advice on how much to budget, what timescales to anticipate, and what pitfalls to anticipate when it comes to enforcement.

It also pays to have an eye to protection. Trade shows are a favourite opportunity for conducting industrial espionage, and many companies have discovered that one exhibition is all it takes for ‘rip-offs’ to start appearing on the market.

While you may not (yet) have any registered rights in the territory in question, you can still use ‘TM’ next to any references to your brand to show that you regard it as distinctive of your business.

You can, and should, also mark any brochures and other literature clearly with a copyright (©) symbol and state that all rights are reserved to your company. As explained in this guide, copyright is generally well observed internationally, so this should offer you some protection.
1. So you want to ‘go global’ ...

SUMMARY

The following list is based on the 10 market entry approaches set out in this section, and may be of assistance in helping you consider how ‘IP intensive’ your proposed international expansion strategy is likely to be. It is important to note that your activities must still be compliant with local laws (and that protecting your chosen branding will be important wherever you trade).

Also, even a single sale (or merely importing a product, even if it is not meant for sale) that infringes someone else’s IP rights could cause you problems—so you need to be confident that you are free to trade first.

- Potentially lower reliance on IP registration
- Higher reliance on your own IP rights inevitable

1. Make web sales only (digital good or non-specialist items)
2. Make sales at trade fairs or exhibitions
3. Establish an office in a trade zone at preferential cost
4. Collaborate with a local distributor
5. Set up an IP holding company and license into the market
6. Make individual, low-key, targeted client approaches
7. Acquire an existing business in the target territory
8. Set up a fully-fledged subsidiary
9. Adopt a franchising or licensing model
10. Establish a joint venture
Determining where to file

GLOBAL SHARE of Social Networking

Social networking trends are ever changing and fast paced. The present trends could be divided into regions, based on cultural aspects. The regions present various trends. The major expansion is within the greater regions.

Growth.

<table>
<thead>
<tr>
<th>Year</th>
<th>Change</th>
<th>Growth</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>2.7%</td>
<td>2.7%</td>
<td>0.650</td>
</tr>
<tr>
<td>2009</td>
<td>7.6%</td>
<td>7.6%</td>
<td>80.75</td>
</tr>
<tr>
<td>2010</td>
<td>10.8%</td>
<td>10.8%</td>
<td>540.5</td>
</tr>
<tr>
<td>2011</td>
<td>5.1%</td>
<td>5.1%</td>
<td>0.607</td>
</tr>
<tr>
<td>2012</td>
<td>0.4%</td>
<td>0.4%</td>
<td>405.4</td>
</tr>
<tr>
<td>2013</td>
<td>4.7%</td>
<td>4.7%</td>
<td>540.5</td>
</tr>
</tbody>
</table>
2. Determining where to file

Which markets have the greatest potential?

For some companies, international expansion just ‘happens’—customers in other countries get to find out about your products or services and place orders. For others, it requires a much more deliberate and conscious strategy to get a foothold in export markets. Whichever of these approaches feels better suited to your business at this time, it will pay you to keep your IP rights and your trading activities ‘in sync’.

Assuming that you are not being entirely reactive and just waiting for orders to land, the starting point is to conduct some research to work out which markets offer the most promise in sales terms.

Even in cases where you have decided to take a more reactive stance for the present, you can often still obtain insights into the territories likely to prove most promising. As an example, depending on your line of business, you may already be attracting significant international traffic to your website. You should be able to track where most online traffic originates, as well as where the majority of orders and enquiries are coming from.

This analysis should lead you to identify one or more target countries that can form the basis for further investigation from an IP perspective. It is useful to start with a manageable number of key markets so that you can take a more in-depth look at the potential competitors each one contains.

Make sure that you focus on the IP rights these competitors have decided to register, to understand whether these present barriers to your intended market entry, and whether the protection you want is likely to be available. For example, you might find evidence that other firms in overlapping markets are already using branding that is confusingly similar to your own, a situation you will need a strategy to manage. Advice on gathering competitor intelligence is contained in another guide in this series—Knowing Your Competition.

Analysis of competing IP strategies can also help you determine which rights are likely to be most important for you. However, it is unwise to rely on searches of patents covering your domestic market to examine these, as different protection will be in force overseas, and may increase the probability of infringement.

“A starting point for targeting territories for IP protection is to consider where you believe the greatest sales potential lies.”
Where might infringing goods be manufactured?

While protection of sales opportunities is the primary driver of IP filing choices for many businesses, you should also give careful consideration to other ways of protecting your competitive advantage. One of these is to consider the source of any future problems—namely, where counterfeit or infringing goods are most likely to be made or imported.

IP rights do give you an opportunity to stop the importation of infringing goods to a market in which you are appropriately protected. However, it is best not to rely solely on this mechanism, as for it to work, you have to take out rights in every country in which you trade.

If you can use IP rights to tackle a problem at source, by stopping the infringing goods from being manufactured in the first place, you may solve a problem in several markets at once (including territories where your rights are not otherwise in force).

The countries that are most important to protect will be determined by your business activities. For example, if you are engaged in the manufacture of electronics, you might be most concerned about infringement occurring in China, Taiwan, South Korea and Japan. With further investigation, you will probably be able to identify a shortlist of countries where businesses are most active in your chosen sector and target these for your patent, trade mark and/or design applications.

It may be that your enquiries lead you to identify regional rather than national areas of concern. This is useful to know from an IP perspective too because as explained in this guide, there are certain parts of the world (such as Europe and Africa) that offer the facility to obtain region-wide rights.

You do not necessarily need to take out all possible IP rights in all countries—to do so with patents, in particular, can be very expensive indeed. But if you conduct your investigations into market potential and infringement risk thoroughly, you will at least have solid and impartial evidence on which to base any future prioritisation decisions you need to take.

“If you are selling physical products, you need to consider where your current and future imitators are most likely to be based.”
Having thought about where you want to sell, and where your competitors might try to manufacture infringing goods, you then need to consider how you propose to serve the markets you have identified. This is a question of logistics — how can your products and services be delivered in the most cost-effective and successful way? Do you need to appoint distributors? Might you need a local or regional production facility, and if so, do you need to own it yourself?

Most kinds of contractual arrangements you identify as being necessary to get your goods to market are likely to benefit from having the appropriate territorial IP rights in place. You can use these rights both to manage risk and to support your commercial negotiations. If you decide that you need to appoint an agent or distributor, for example, you may wish to license your trademark to them for use in their own promotional materials and catalogues, which gives you the means to retain ultimate control; if your business partner does not fulfill their obligations, you can revoke their licence.

Sometimes, it is a viable option simply to ship products from your home country for export purposes in order to meet demand. This may provide the best and most secure option for protecting the identity, quality and origin of your goods. However, depending on your business model, it may be preferable to produce goods or deliver services closer to the point of sale. Also, when making a decision, you should also consider the possible impact on your business (in terms of profitability and reputation) of late shipments, goods delayed in customs and products ending up in the wrong location.

If this dilemma sounds familiar for your business, it is another reason to prioritise IP protection in your territories of choice, especially if by setting up operations in one country, you can serve several markets from it.

It is not necessarily the case that logistical operations like this have to be wholly owned by your company. For example, you may decide to subcontract or possibly franchise operational aspects to another party. If you do so, however, you’ll find it especially beneficial to have IP rights in place; as well as forming the basis for an agreement, they provide a means of ensuring brand compliance, and monitoring production quantities and standards.

You will also want to ensure that you take out references as part of ‘due diligence’. If you have difficulty obtaining these, industry associations can be helpful in sourcing information.
The following list offers a quick reminder of the three main principles explored in this section. In thinking about the markets to enter, it is important to consider where your rights will be obtainable and enforceable, as well as prioritising territories based on revenue generation potential and effectiveness against any infringement you anticipate may happen.

- **What markets have the largest potential?**
- **How will I manage the logistics? Can I export from Singapore?**
- **Do I need partners/distributors in target countries?**
- **Where might my competitors manufacture infringing goods?**
- **What IP does my competition own in that territory?**
- **How easy is it to enforce my rights in that country?**
How IP laws work internationally
There are a number of international IP treaties setting out basic principles of IP law that most countries in the world follow. Nevertheless, national and regional adoption of these treaties may mean there are some differences in IP laws and practice, which you should be aware of. Not everything may work in exactly the same way as you may be used to in Singapore.

There are quite a few international treaties to which Singapore, most other ASEAN countries and other major economies around the world are signatories. These treaties cover the fundamental operation of intellectual property practice. For example, the Paris Convention covers the basics of how the patent system works including its 20-year term, the concept of a priority date and the one-year window in which subsequent applications can be filed.

The Berne convention covers the basic workings of copyright; the Madrid Protocol covers procedures for filing trade marks efficiently through the World Intellectual Property Organisation (WIPO); and the Patent Cooperation Treaty (PCT) describes use of the WIPO international patent procedures.

<table>
<thead>
<tr>
<th>Treaty</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paris Convention 1883</td>
<td>Protection of industrial property including patents, trade marks, industrial designs and utility models</td>
</tr>
<tr>
<td>Berne Convention 1886</td>
<td>Protection of literary and artistic works — copyright</td>
</tr>
<tr>
<td>Hague Agreement 1925</td>
<td>Protection of industrial designs</td>
</tr>
<tr>
<td>Nice Agreement 1957</td>
<td>A classification system of goods and services for registering trade marks and service marks</td>
</tr>
<tr>
<td>Patent Cooperation Treaty 1970</td>
<td>Protection of patents and inventions, Enables countries to file international patent applications</td>
</tr>
<tr>
<td>The Budapest Treaty 1977</td>
<td>Covers microorganisms under the international patent process</td>
</tr>
<tr>
<td>Madrid Protocol 1989</td>
<td>Extension of protection for trade marks</td>
</tr>
<tr>
<td>WIPO Copyright Treaty 1996</td>
<td>An agreement under the Berne convention that protects copyright works and their authors’ rights in the digital environment</td>
</tr>
<tr>
<td>Singapore Treaty 1994</td>
<td>Modern international framework for adaption of trade mark registration procedures</td>
</tr>
<tr>
<td>WIPO Internet Treaties 1996</td>
<td>Protects rights of performers and producers of phonograms</td>
</tr>
</tbody>
</table>

Some of the international treaties that Singapore has signed and the areas they cover.
3. How IP laws work internationally

Despite the convergence in IP laws internationally, which is due to widespread acceptance of these IP-specific treaties, there are still significant regional and national variations. There are differences in how mature the IP systems are, the range of rights that are available, and how easy the rights are to enforce.

If you're interested in finding out exactly how all the systems compare, the World Intellectual Property Organisation (WIPO) has a lot of information on the trends in international IP policy, business and technology including detailed statistics.

Within South East Asia, the ASEAN Economic Community (AEC) has the aim of harmonising trade within the region. Part of its remit is to harmonise and coordinate IP across the region as part of its goal of facilitating the free movement of capital and investment, goods, services and certain skilled labour across South East Asia.

The South East Asia IPR-Helpdesk has produced a detailed summary of the IP situation in the region. According to its analysis, Singapore has an advanced registration and enforcement infrastructure, including its border enforcement of IP rights. Malaysia, Thailand, Vietnam, Philippines, Indonesia and Brunei, in general, comply with international standards on IP (having signed TRIPS and most other major international IP treaties), but in these countries, available enforcement options and their related processes may be slower and less developed than in Singapore. In Laos and Cambodia, the IP regime is relatively new and basic, while in Myanmar, new IP bills are in the queue for deliberation in Parliament. The IP portal on the ASEAN website contains further details on IP systems in the ASEAN nations.

Within the ASEAN region, there is not a community-wide trade mark or a regional patent that can be granted across the entire region but, as there is free movement of goods and services across the region, you can consider obtaining protection for key products and/or services by way of patents, trade marks and designs, where appropriate, in some or all of the countries in the region. However, the cost for IP protection across multiple countries will be significant, and so the advantages of securing these rights (and risks of not securing them) must be weighed up against the registration costs and assessed in the light of your business plan.
How does the patenting system accommodate different languages?

To obtain patent protection in a number of countries, it is likely that your patent will have to be translated meticulously by a specialist. There are online and automated tools that can translate patents, but these lack sophistication and are generally only useful for examining prior art or understanding competitor patents. If you are considering extending a trademark overseas, you need to consider what your mark means in the language(s) of the country you are entering.

The issue of translating patent and other IP data into different languages has been the subject of discussion and debate for many years. A cost-effective way to delay translation costs is to use the PCT route, where you can file in a language of publication or other languages accepted by an International Searching Authority (ISA). Nevertheless, to obtain a patent using this route in China, Japan or South Korea you will ultimately have to file translations in Chinese, Japanese and Korean respectively, for example. This means that for international protection you will inevitably need to translate your patent specification into a number of languages.

As patent specifications are often technical in nature, it is important that the translations are as accurate as possible. The task of translating your documents should ideally be carried out by a skilled patent translation specialist, which makes this a potentially expensive task. Furthermore, in general, the entire examination process also occurs in the designated language, and so translations of essential correspondence from the foreign patent offices will have to be included as part of the service of a foreign associate of your locally appointed patent agent, which may attract an additional fee.

There are a number of automated language translation tools available that are becoming increasingly accurate and sophisticated. At present they are not of a good enough quality to be useful when translating a patent (or preparing a substantive response to a patent examiner), but they can be helpful for understanding prior art citations or when reading patents from your competitors for competitive intelligence.

One such tool to enable you to translate patent details into another language is “Patent Translate”, a service of the European Patent Office. This is a machine translation service that has been ‘trained’ to handle elaborate patent vocabulary and grammar. It provides translations from and into English, French and German for a total of 29 different languages.

WIPO has developed a similar service called WIPO Translate, available through the Patentscope database, which can provide Chinese to English translations. Another useful point of reference is the online system called Pearl, established by WIPO—a multilingual terminology portal giving access to scientific and technical terms derived from patent documents.
3. How IP laws work internationally

When expanding internationally, you may want to use your company, product and service names in countries that speak different languages. You need to ensure that your mark still reinforces the ‘brand promise’ you are seeking to deliver, and does not have an unexpected connotation.

While it may today be relatively straightforward to translate patent information from one language into another, the issue of trade marks is anything but simple. Trade marks are after all symbols of products/goods or commercial services; they are intended to associate a particular product or service with a particular seller so that the buyer can readily distinguish between your offer and that of your competitors. However, while your mark may be perfect for your home market, that does not mean it will translate directly for foreign customers.

It is also possible that your trade mark may not be allowable in the new territory because it is viewed as being descriptive of your goods and services in that country and language.

There is a need to understand the culture of your target country and be mindful not to use a symbol or name that when translated may have different connotations in your target market or arouse different associations.

A well-known case of a multinational that fell foul of this was General Motors; when it launched its ‘Nova’ model of car into Spanish-speaking markets, it sold very poorly – perhaps because ‘no va’ roughly translates as ‘doesn’t go’ in Spanish. The company went on to change the car name in Spanish markets to ‘Canibe’.

It may be just as important to adapt your trade mark as your offerings and communications to fit with the buying habits of locals.

This is particularly the case in China, where it is important to ensure that you have a Chinese name for your trade mark, to improve brand recognition amongst Chinese buyers. If you do not specify a Chinese name, your local partner or the buying public may choose a Chinese name of their own which may not be to your liking. For example, when Coca-Cola was launched in China, some local shopkeepers initially marketed the soft drink using characters that sounded similar to ‘Coca-Cola’, but in one famous instance, was translated as ‘wax-flattened mare’!

It is therefore advisable if you drive the choice and use of a Chinese name. A literal translation of your trade mark may work best if you operate a franchise, as it may be harder to confuse your mark with
another (for example, Burger King’s Chinese mark is a direct translation). This strategy may be more difficult to adopt with a trade mark that is more unique, quirky or a ‘made up’ word: also, Chinese has thousands of characters, each with many meanings and with pronunciations that vary from region to region.

Examples of well-known brand translations that may provide food for thought are shown below in Figure 2.

<table>
<thead>
<tr>
<th>Trade Mark and/or Logo</th>
<th>Chinese Trade Mark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nestle</td>
<td>雀巢 (què cháó), which literally means ‘sparrow’s nest’, which is part of the Nestle logo.</td>
</tr>
<tr>
<td>Colgate</td>
<td>高露洁 (gāo lù jié), which translates roughly as ‘high reveal clean’ or ‘revealing superior cleanliness’. It has also been argued that if you say the characters fast, it sounds like ‘Colgate’!</td>
</tr>
</tbody>
</table>

Figure 2. Examples of brand translations in China (all trade marks belong to their respective owners)

**SUMMARY**

The following checklist may be helpful as a reminder of the most important points from this chapter.

- Have you developed a shortlist of countries?
- What treaties and laws do your target territories have?
- Have you budgeted for translation costs?
- Does your brand translate well into your target country’s language?
- Do you need a separate Chinese version of your brand?
Extending IP protection to other countries

04
What are my main options?

"Your routes to extend IP rights vary according to the type required and the country in which you are seeking protection."

To extend any registered rights you have in Singapore overseas, there are essentially three main options: the national, regional and international routes. In each case, depending on the rights you wish to extend, there may be strict time limits to which you will have to adhere, and you may need to claim priority or extend any existing Singapore-based rights you may have. The rules vary depending on whether it is a patent, design, trade mark or a copyright-protected work that you wish to use overseas.

There are **three main options** for extending registered IP rights internationally.

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<thead>
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<tr>
<td><strong>1.</strong></td>
<td>The first is to file for protection of the IP rights directly in the country of interest, generally known as the national route.</td>
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<tr>
<td><strong>2.</strong></td>
<td>The second is the regional route, using which it can be possible to get protection across an entire region with a single application.</td>
</tr>
<tr>
<td><strong>3.</strong></td>
<td>The third, international route uses a WIPO-administered procedure to simplify the application process.</td>
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</tbody>
</table>

With regards to copyright, protection is automatic in most other countries in which you would wish to trade. However, while there is no official government registry for copyright in Singapore, you may find it advisable to register your copyright in certain countries to enforce your rights, as explained in the following section.

A simplifying factor in the case of patents is that Singapore has arrangements to co-operate with other IP offices around the world. Via a series of bilateral (and multilateral) agreements known as the Patent Prosecution Highway (PPH), this ensures that an examination performed by IPOS can be considered and used during a patent’s prosecution in another participating country. IPOS currently has pilot PPH programmes in place with the State Intellectual Property Office (SIPO) of the People’s Republic of China, the Mexican Institute of Industrial Property (IMPI) of the United Mexican States and the European Patent Office (EPO), and is also a participating office of the Global Patent Prosecution Highway (GPPH) pilot programme.

Under the GPPH pilot, a request for accelerated examination of a patent application in Singapore can be made by relying on the IPOS patent search and examination results at one of 22 participating offices, including the Japan Patent Office, United States Patent and Trademark Office, Korean Intellectual Property Office and the German Patent and Trademark Office.
4. Extending IP protection to other countries

How do I extend my existing rights overseas?

The rules around extending your Singapore-based rights overseas are complex and subject to strict time limits. The rules vary depending on whether you are looking to extend a patent, a trade mark, a registered design or copyright protection to another country.

The rules around an extension of a patent to other jurisdictions are laid out in the Paris Agreement, to which Singapore and the vast majority of commercially important countries are signatories.

The Paris Agreement stipulates that it is possible to file a patent in any jurisdiction (this is most likely to be Singapore, but it does not have to be) and then you have one calendar year to update and extend this patent to other regions. The first application is called the ‘priority application’ and as long as the subsequent applications are filed within 12 months and claim priority from this document, its contents will be not counted as a disclosure and prevent the new patents from granting.

If you have lodged your ‘first patent application’ more than a year ago, it is generally not possible to use the Paris Convention procedure to extend subsequent patent applications using this ‘first patent application’ filing date to other countries (unless you restore priority within 14 months and show that failure to file within the 12 months deadline was unintentional, for example — but it is inadvisable to rely on this!).

Normally, past the 12-month point, any newly filed patent applications in territories of choice will need to adhere to patentability rules regarding novelty and inventiveness — including being novel compared with your own earlier inventions. This means your previous published patent applications can themselves be cited as prior art.

To extend a registered design, it is also possible to claim priority from an existing Singapore right but there are again strict time limits (in some jurisdictions this is 6 months and in others, it is 12 months). If you are outside the priority period for your design, it may be possible to make a fresh application in the new country without claiming priority, but each country has its own rules about how long after displaying the design in public an application is allowable, as well as differing definitions of what constitutes a public disclosure.

In Singapore, you must make your design application before showing your design in public, unless disclosed at a defined international exhibition, whereas throughout the European Union there is a 1-year grace period, for example.
Trade marks operate differently, as they do not have to be registered before the marks are shown in public. In fact, in a number of countries, registration is not possible before the marks are actively being used to promote goods or services. Because of this, the priority system is of less importance unless a competitor is also registering a similar mark to yours for similar goods at a similar time and by using a priority date you can ensure that your registration pre-dates theirs. Where this is not the case, it is not necessary to claim priority for a previous Singapore-based application and there are no time limits on when you can apply.

In Singapore, copyright protection is free and automatic and there is no registry or registration procedure required (although it is wise for you to record the process of creating these rights in case any future queries should arise).

In some other countries, including USA, Canada, China, India and most other ASEAN countries apart from Brunei, there are voluntary but officially-sanctioned copyright registries. Although copyright comes into existence automatically, registration may be helpful or even required before an action can be brought for copyright infringement.

The USA register for copyright is available online. In Malaysia, the copyright owner can use MyIPO’s “Copyright Voluntary Notification”, introduced in 2012, to help prove evidence of their creative works, ownership and date of creation of the copyrighted works (a small fee applies). In other countries (e.g. Thailand), registration is free.

Further information on copyright and how it works across the ASEAN region can be found in an online document from the South East Asia IPR SME Helpdesk.

Can I file directly in the country where I want to obtain protection?

“Applying directly to the national offices may make sense if you only need protection in a limited number of foreign countries. If residing in Singapore, you must obtain written permission from IPOS before doing this.”

It is possible to use the ‘national route’ to apply for protection directly in individual territories, although if you are residing in Singapore, you are required to obtain written authorisation from IPOS before filing a patent application overseas. Direct application is generally most suitable when you want protection in a relatively few jurisdictions. As each country has different administrative procedures, it is important to either use the services of a patent agent or trade mark attorney familiar with the rules in that country. If this is not an option, you should read the detailed advice that most regional offices provide before applying.

As nearly all countries where you want to trade and want to enforce your rights will have an equivalent IP system to the one operating in Singapore, it is possible to register your rights directly at the national offices where you want to trade. For example, if you are starting to export to the USA, you could choose to file for a trade mark at the US Patent and Trade Mark Office (USPTO).

For National Security reasons, if you reside in Singapore you must apply for clearance to file overseas from IPOS beforehand or set out your reasons to avoid or limit a fine.
4. Extending IP protection to other countries

Help to file overseas

As the detailed procedures and requirements differ from country to country, it is advisable to use the services of a patent agent or trade mark attorney based in that region who is used to the local laws and customs (in some jurisdictions, it may be a requirement to do so). This can usually be organised through your Singapore-based IP professional if you have one.

There are some advantages and disadvantages of using the national route. If you only require protection in one or two countries, this route is likely to be the least expensive and burdensome in paperwork terms. If however, protection in a large number of countries is required, this route may not be the most efficient either in terms of cost or complexity.

For details on how to apply for individual patents or trade marks in a foreign country, you are recommended either to contact the IP office in that country directly or a local patent agent or trade mark attorney who can advise on a suitable associate based in that country. The national offices have a lot of information freely available on their websites to assist you with your application. For example, the USPTO has produced a guide that covers all you need to know about obtaining a US Design Patent (the US name for a registered design). This document provides a number of examples of the wording that is required, shows examples of acceptable drawings and also describes the application process in some detail.

Are there regional alternatives, to save filing in each country independently?

In some regions of the world, governments have come together and agreed to form a regional body that can administer and streamline IP protection in that region. Depending on where you want your IP to be protected, it is possible on many occasions to use a regional route rather than a national one.

Regional IP offices aim to harmonise rules, develop guidelines to support local entrepreneurs, and streamline IP protection systems.

This route is likely to be more expensive than applying for protection in a single country in your chosen region but is usually a cost-effective option if protection is required in a number of participating countries. Applying regionally rather than to a number of individual offices also cuts down on the amount of paperwork and administration involved.

As an example, instead of applying individually to a number of countries across Europe for patent protection, it is possible to apply to the European Patent Office (EPO) for a patent. As far as priority and the Paris Convention rules are concerned, these regional bodies are treated as a national application, and so priority can be claimed from a Singapore application.
within a year. Once the EPO grants a patent, you can choose the countries in which you wish to be validated.

Other regional IP offices include the African Regional Industrial Property Office (ARIPO), the Eurasian Patent Office, the Organisation Africaine de la Propriété Intellectuelle (OAPI) and the Patent Office of the Cooperation Council for the Arab States of the Gulf. The European Union also has an organisation, the European Union Intellectual Property Office, which allows EU-wide designs and trade marks to be registered.

The regional offices were set up originally to pool resources and make the exchange of information and coordination of IP laws and activities smoother. All of these are now well established in their respective regions and co-operate internationally to advance the aim of harmonising IP rules and procedures.

Are there any regional options in South East Asia?

**The ASPEC programme provides a means of streamlining patent examination**

A SEAN countries have all signed the ASEAN Framework Agreement on Intellectual Property Cooperation and most are now part of the ASEAN Patent Examination Cooperation Programme. These make it easier for a company in one ASEAN country to extend its rights to other countries in the region.

In South East Asia, the ASEAN countries as a group started to formally collaborate on IP matters in 1994. The ASEAN Framework Agreement on Intellectual Property Cooperation was signed in 1995 with the aim of strengthening and promoting cooperation in the field of IP among government agencies, the private sector and professional bodies, to facilitate regional growth and liberalise trade.

The scope of cooperation broadly includes the fields of copyright and related rights, establishing of patent and trade mark systems, industrial designs, geographical indications, undisclosed information (trade secrets) and the layout designs of integrated circuits. Various initiatives have been explored, such as ASEAN patent and trade mark offices to promote region-wide rights protection.

Most ASEAN countries, including Singapore, are part of the ASEAN Patent Examination Cooperation Programme. This programme is designed to streamline and reduce the workload on patent examiners in ASEAN countries. If a patent is examined and found acceptable for grant in one of the ASPEC countries, this examination will be considered and taken into account by examiners in other participating nations. Although the first examination is not binding in the second country, the agreement to consider the examination increases efficiency, reduces the time and costs of obtaining a patent in a neighbouring ASEAN country. This option is well worth considering, should you wish to extend your patent protection within the region.
4. Extending IP protection to other countries

Are there more efficient ways to secure international patent protection?

In addition to the national and regional routes, it is possible to extend your IP to other countries using one of the protocols administered by the World Intellectual Property Organisation (WIPO). Collectively, these are known as the ‘international route’.

To extend a patent application overseas, it is possible, in addition to the national or a regional route, to use the Patent Cooperation Treaty (PCT) procedure. Using this system, you may file a PCT application (often claiming priority from your ‘priority application’ within 12 months of filing, in accordance with the Paris Convention) and at the time of filing designate one or more countries where you may want to obtain patent protection. There are currently 152 countries (as of March 2017) that are signatories of the PCT and it is usual, at the application stage, to designate all these countries to keep your options open.

An advantage of the PCT route is that you can file one application in one language and pay one set of fees, with the same effect as a series of national or regional patent applications. The PCT route is a popular way to secure ‘patent pending’ status and delay substantial national/regional phase costs until 30 or 31 months from the filing of the original ‘priority patent application’. For a company with limited resources, delaying such patent costs can be crucial to allow time to commercialise the patent subject matter. This time also can be well used to understand what countries it will be most advantageous to secure future patent protection in (at the ‘national/regional’ phase), which otherwise would need to have been decided at the outset.

Under the PCT, an ‘international search report’ (a review of the prior art) and ‘written opinion’ (a non-binding opinion on the patentability of your invention) are issued by a designated International Searching Authority (ISA), which is useful commercially for the inventor or applicant to assess the likelihood of grant of a patent. Conveniently, Singapore’s office is an ISA for these purposes.

If you wish, you can choose to have your PCT application formally examined (Chapter II PCT) rather than just have it searched (Chapter I PCT, as shown in the following Figure 3). Chapter II involves additional forms and fees, and if the written opinion you receive is positive, you may elect not to file for it. In either case, the PCT application itself does not grant; at 30 or 31 months after you filed your priority application, you have to decide in which of the designated countries you wish to pursue your application. At this stage, you enter the national phase in that country and file a national or regional application that is examined via the usual national/regional route.
Figure 3. The Patent Cooperation Treaty (PCT) system through Chapter 1 PCT delays substantive examination, translation and most prosecution costs until 30/31 months after the priority filing.

Further information about filing an international patent application under the PCT is available on the IPO website.

Are there time and cost-saving systems for trade marks and designs too?

"The Madrid and Hague systems provide a convenient means of applying for protection in a number of countries at once."

WIPO also administers a series of protocols that have been established by international treaty to help with the smooth, efficient extension of design and trade mark rights to other territories.

For trade marks, WIPO administers the Madrid System, comprising two treaties: the ‘Madrid Agreement’ and ‘Madrid Protocol’. This provides a route to apply for trade mark protection in a number of states with a single initial application.

Using the Madrid Protocol, an application form is completed on the WIPO website and, for a fee, WIPO then communicates with the national and regional offices and manages the application process. The mark is still examined and assessed by each national or regional office, but a lot of the administration is streamlined. Further information about filing an international trademark registration application under the Madrid Protocol is available from the IPO website. Using the Madrid Protocol, you make a single application in English and pay a single fee.

Finally, WIPO also administers the Hague System to streamline the international registration of industrial designs. Using the Hague System, you can register up to 100 designs in over 65 territories through filing one single international application. Further information on the Hague System can be obtained from the WIPO brochure and the official guide for applicants.
This chapter has set out the different ways in which you can extend rights that you already own, or which are in progress, in Singapore to other territories. Here is a checklist setting out a few additional points to bear in mind.
Specific differences in the IP systems of selected key countries

05
5. Specific differences in the IP systems of selected key countries

What are the main differences between the way IP systems work in some of the major markets?

To illustrate some of the key differences between countries and to highlight where the laws have harmonised through the international treaties, it is instructive to examine some of the key markets for Singaporean businesses in a little more detail.

As a Singapore-based business, there are a number of countries and regions around the world where you may wish to consider expanding into initially. In this section, we look at some of the geographies most commonly chosen by local enterprises and focus on some of the key areas in which the intellectual property laws (the types of IP right, the application processes and enforcement options) differ from what you may be used to in Singapore.

Specifically, this chapter looks at other key South East Asian markets (Malaysia, Thailand and Indonesia), larger Asian markets, (China and India), the USA and the European region.

Further online assistance is also available from IPOS and from other bodies, such as the South East Asia IPR SME Helpdesk.

“A number of regions and countries are likely to be on your radar if you are considering trading overseas.”
China

As well as becoming the world’s favourite manufacturing location, China has been associated in IP circles with a high volume of counterfeit goods. It has also developed a reputation for being a country where IP laws can be difficult to enforce. This situation is changing rapidly: there are increasingly efficient, robust IP protection procedures available, and enforcement is now becoming much more straightforward and effective for overseas companies.

China now registers more patents in total than the rest of the world combined, which both reflects and feeds an increased appreciation of the value and importance of IP. China has three types of patent— invention patents (which are the equivalent to the patent protection in Singapore), utility model patents, and design patents (equivalent to a registered design in Singapore).

Singapore does not have the equivalent of a utility model. These offer a simpler, shorter route to protection for apparatus, shapes and structures that are novel, but less inventive than the standard required for invention patent protection. Invention patents are valid for 20 years, whereas utility model and design patents are both valid only for 10 years.

If you have a Chinese patent and feel you are being infringed, you have two alternative ways to seek a legal remedy. You can either request the Administrative Authority for Patent Affairs (AAPA) to handle a patent infringement dispute or to bring a civil lawsuit for patent infringement directly with a Chinese court. Since 2014, there have been three specialised intellectual property courts in China (in Beijing, Shanghai and Guangzhou) and a number of other courts have set up specialist divisions to adjudicate on IP related cases. Where there is no IP ‘division’, the economic division of a court will hear patent infringement cases. There is a two-year statute of limitation in China, however, so if you suspect you are being infringed, there are quite strict time limits within which you have to act.

China is making efforts to improve its intellectual property laws and last year the Chinese government issued a wide-ranging action plan on IP which detailed proposals to increase IP protection cooperation with other nations, promote growth of IP-intensive industries, and remove barriers to leveraging IP outside China. It also promised to increase the availability of remedies for IP infringement.

A design can be protected under China’s patent laws by applying for a design patent. As in Singapore, a design must be new and not have been disclosed or made public anywhere in the world (with a few specific exemptions) before the application is filed in China—there is no grace period. If the design was disclosed before the design patent application was filed, the design patent can be invalidated at a later date.

Trade mark law in China is well harmonised with international standards and you should not find many differences between it and the laws you are used to in Singapore. It is important to bear in mind that your trade mark may need to be registered in Chinese (as well as Roman) characters, as shown in Figure 2.
5. Specific differences in the IP systems of selected key countries

India

India has a policy towards IP of endeavouring to balance the rights of its citizens to access technological improvements with the rights of IP holders, particularly in the field of pharmaceuticals. Despite being a large, vibrant and entrepreneurial market, this can make it challenging for some firms to trade profitably in India.

India, like Singapore, based its IP law on the British system but it has diverged significantly with the Indian state introducing some novel IP protection unique to the country. For example, it has introduced ‘mixed’ plant variety acts that aim to promote commercial agriculture and protect traditional farmers.

The Indian IP regime takes a relatively stricter and more rigorous view on what is patentable in the pharmaceutical field than other nations, for example by limiting the ability of companies to get patents for new versions of drugs whose active ingredients were previously known unless they can show significant therapeutic benefit. A large number of drugs and pharmaceutical formulations that are protected elsewhere in the world are without patent protection in India.

UK-derived trade mark laws were mostly replaced in 1958 and again in 1999. The latest Trade Marks Act made changes to the regime covering well-known trade marks, increased the period of protection, and extended protection to service marks and design marks.

Recently, in 2016, India approved a National IPR Policy with an aim to introduce a ‘dynamic, vibrant and balanced IP rights system’. Lead times for application processing may be expected to reduce as a consequence of this, although commentators argue that it does not change the underlying situation with regards to protection of pharmaceuticals.

Indonesia

Indonesia, ASEAN’s most populous country, operates an IP legal system that follows most international standards. All the usual rights can be obtained, plus utility model protection for patents that do not meet the strict inventive step criteria. However, there are variations, some of which stem from its underlying use of Dutch law, and there have been some recent changes to patent law in the country.

Like Malaysia and Thailand, Indonesia has joined the Madrid protocol for trade marks and is a signatory to most other international IP treaties. Due to the size of its domestic market, it is ASEAN’s most popular country for trade mark and patent applications and the World Economic Forum’s 2015-2016 Global Competitiveness Report ranked Indonesia 37 out of 144 countries for IP protection. As in other highly populated countries, levels of copyright piracy and counterfeiting have been documented as a concern.

In recent years the Indonesian government has taken steps to update its IP regime by enacting a series of new laws and amendments. For example, there have been patenting changes affecting biopharmaceuticals in relation to efficacy requirements, second use claims, parallel importation and requirements concerning where patented products are made. It has also passed a new Trademark and Geographic Indications law, introducing protection for 3-D objects and increased criminal sanctions for trade mark infringement.

“Pharmaceutical patents in India may be harder to secure than in other nations”

“Indonesia is the largest ASEAN country and most popular in terms of patent and trade mark applications”
Thailand

Thai laws generally comply with international standards, although as in India, the Thai government does, at times, take steps to balance the rights of IP owners with those of its citizens who require drug treatments.

Thailand currently has seven IP-related laws: the Copyright Act, Patent Act, Trademark Act, Integrated Circuit Topography Act, Trade Secret Act, Geographical Indications Act and CD Production Act. Thai laws comply with international intellectual property standards as established by TRIPS. Thailand is a member of the Madrid Protocol and also party to most other key IP conventions.

Like Malaysia, Thailand does operate a voluntary but official register of copyright, but it has no equivalent of its neighbour’s utility innovation patent.

The Thai government has at times allowed compulsory licences of patents for certain cancer and AIDS drugs to be issued, denying patent protection and a monopoly right over such drugs in their country. As with some other countries in the region, patents have historically been slower to grant than in Singapore, though recently announced plans by the Thai Department of Intellectual Property (DIP) suggest it plans to treble its number of patent examiners.

Civil enforcement of IP can be challenging in Thailand due to a lack of availability of damages. In 2016, a new Specialised Appeals Court was established to strengthen civil proceedings in lower courts.

Malaysia

The neighbouring Malaysian IP system has a number of potential attractions for a Singapore-based business. Patent applications are in English, patents covering software-based inventions can be easier to obtain, and the court system is relatively fast and efficient.

Malaysia acceded to the Patent Cooperation Treaty in 2006 and accept applications in English, so you are unlikely to incur translation costs if you extend your patent rights into Malaysia. Unlike some other jurisdictions, software as such is not excluded as patentable subject matter, so businesses reliant on inventions implemented in software may find it easier to obtain a granted patent in this territory than in some other countries.

As an alternative to regular patent filing, Malaysia provides the option to file for a ‘utility innovation’, which corresponds in most respects to the utility model found in other countries. Like them, it is cheaper and quicker to obtain, but because it does not require the same level of evidence of inventiveness, it is ultimately less robust as a means of protection.

Extending your patent rights to Malaysia via a PCT should not incur translation costs, as Malaysia also accept applications in English.

Since 2007, Malaysia has established specialised intellectual property courts that hear cases covering infringement. Patent infringement proceedings are instituted at the Civil High Court (Intellectual Property) and take the format of a writ action with a single judge and no jury sitting in judgement. This helps the court system in Malaysia to be efficient and relatively fast; since the introduction of the IP courts and the implementation of an electronic court system, trials can often be heard and a judgement reached within 12 to 24 months. Alternative dispute resolutions are also available.

Malaysia has made efforts to enhance its national IP environment in recent years including a number of copyright reforms. It is also one of the ASEAN nations that operate a voluntary copyright register. Malaysia is a member of the Madrid Protocol.
5. Specific differences in the IP systems of selected key countries

The US is a large market with a well-developed and mature IP protection system. Rights are respected and there are well-established routes to protect your IP, although any legal action in the US is likely to prove costly. There are also some recent changes that particularly affect patents.

It used to be the case that it was significantly easier to obtain a patent for a software-based invention, a business method or ‘human material’ in the US compared with other parts of the world, and companies used to target the US patent system specifically if they had innovations in these areas. Since the passing of the America Invents Act in 2011 and subsequent cases, it has become significantly harder to obtain protection in these areas.

Specifically the Alice, Myriad Genetics and Prometheus v Mayo US Supreme Court decisions have confirmed that some subject matter is considered not to be patentable in the USA. Patent-eligible subject matter in the US includes four statutory categories defined in title 35, section 101 of the US code as ‘any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof’. Broadly, laws of nature, natural phenomena and abstract ideas have now been held by the US Supreme Court to be implicit exceptions to patent-eligible subject matter. There are a number of helpful reviews of the current guidance issued by the US Government on patentability.

Unlike other territories, the US patent system also allows a number of ‘child’ applications to be filed from an original ‘parent’ application. This is separate and different from a divisional application, which all countries that are a signatory to the Paris Convention allow, and the differences between a divisional and the ‘continuations’ and ‘continuations-in-part’ that the US system permits are worth a brief explanation.

A divisional is used to claim a different aspect of your invention. For example, if your original application was shown to actually contain two inventive aspects, you could prosecute the original patent with the first invention and file a divisional to obtain protection for the second invention. In the US, a continuation is still based on an earlier application, but instead of focusing on a different aspect of the invention, it looks at obtaining a broader, more general, set of claims for the original invention. It is not unusual in the US for a patent owner to obtain a grant for a relatively narrow claim set and then file a continuation with the objective of getting a broader set of claims granted.

A continuation-in-part is a little different: it covers improvements and modifications to your original invention. In a continuation-in-part, you are allowed to add new matter — new improvements — but it must claim priority from the original patent.

Registered designs are known as ‘design patents’ in the US. The application process is similar to other countries, but there is more rigour in the examination and the applicant is required to provide at least one claim that describes the design. There are also particular rules governing how accompanying drawings should be formatted. Further details on obtaining a design patent are available from the USPTO website.

In the US there is a particular focus on demonstrating use in trade mark law. If you apply directly to the USPTO for a trade mark, you will have to demonstrate that your mark is being used in the US for the goods and services wishing to be covered. If you apply via the Madrid Protocol, you do not have to demonstrate use at the time of application, but you do need to declare that it is your intention to use the mark for the goods and services. Once your trade mark is registered, you have to file a section 8 ‘declaration of use’ form every five years and demonstrate on-going use of the mark in the territory in order to maintain your protection.

Lastly, in the US, trade secrets are not protected by law at the federal level but are instead protected in state law. Most states, however, have adopted the Uniform Trade Secrets Act (UTSA).
Europe

Like the USA, continental Europe is a rich, large and potentially attractive market for Singaporean businesses. The IP system is well established and streamlined and is made more accessible by the presence of the European Patent Office and the European Union Intellectual Property Office. Change is under way too, thanks to the likely introduction of a new Unitary Patent and Unified Patent Courts.

Within continental Europe, 28 countries have formed the economic and political union, the European Union (EU). The EU contains many of the major markets within Europe (though some large markets such as Switzerland and Norway are not part of the EU, and the United Kingdom is expected to leave the EU in the future). As well as national courts, the EU has the Court of Justice of the EU (CJEU), where it is possible to obtain and enforce some IP rights at the EU level.

Furthermore, it is possible to obtain an EU-wide trade mark and registered design by application to the European Union Intellectual Property Office (EU IPO) only, as compared to filing individual national applications. If you need trade mark protection in a European country that is not a member of the EU, you can use the national route or the Madrid Protocol to extend your protection. If you require protection in the UK, it may be prudent, given the UK’s expected departure from the EU, to also apply for protection directly through the UK Intellectual Property Office (UK IPO) or use the Madrid Protocol.

The situation is different with regards to patents. Across continental Europe, 37 states (including non-EU countries like Switzerland, Norway and Turkey) have signed the European Patent Convention (EPC). This convention lays down rules for the establishment and functioning of the European Patent Office (EPO). The EPO receives, examines and grants patent applications. As there is no single court covering all of the EPC contracting states, however, it is not possible to obtain, at present, an enforceable patent across continental Europe, and you will need to validate the patent in your choice of the 37 participating states. Once validated, the patent is treated just like a national patent and can be enforced in the same way through the national courts in the countries where you have validated it.

There are also plans in Europe for a ‘unitary patent’. If it comes into force as currently envisaged, this will allow you (following an EPO grant) to obtain a single patent that covers a number of the contracting states of the EPO. The establishment of a new Unified Patent Court is also well under way, which may be used to enforce your unitary patent across EU states.

At present, it is expected that the unitary patent will come into operation from 2018 and include all EU countries apart from Spain and Croatia. It is also generally expected to include the UK, even when the country has left the EU (although this is less certain).

There is also some time-limited automatic protection within Europe for unregistered designs (for three years only).

“Europe is a large attractive market with a robust reliable IP enforcement system. Protection in Europe is overseen by well-established national and regional bodies.”
5. **Specific differences in the IP systems of selected key countries**

**SUMMARY**

It is important to understand the differences between your home country’s IP laws and those of the ones you are likely to be trading in. A few of the key variations are briefly summarised in the table below:

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<th>Country</th>
<th>Differences</th>
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<td>China</td>
<td>• Most active in patenting in the world</td>
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<td>• Offers utility model option</td>
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<td>• Registered designs are ‘design patents’</td>
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<td></td>
<td>• Signatory to most treaties</td>
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<td></td>
<td>• Historical concerns over enforcement easing, but two-year statute of limitation</td>
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<tr>
<td>India</td>
<td>• Special treatment of some patentable material, especially in respect of pharmaceuticals</td>
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<td></td>
<td>• Additional options to protect traditional methods</td>
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<tr>
<td></td>
<td>• New IP rights policy recently launched: investment being made to speed up systems</td>
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<tr>
<td>Indonesia</td>
<td>• Some recent rule changes governing patents</td>
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<td>• Piracy and counterfeiting of potential concern</td>
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<td>• Madrid Protocol signatory and other recent trade mark reforms</td>
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<tr>
<td>Thailand</td>
<td>• Some special rules regarding drug patentability and compulsory licensing</td>
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<td></td>
<td>• Investing in additional examination resource</td>
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<td></td>
<td>• Madrid Protocol signatory</td>
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<td></td>
<td>• Damages not available under civil enforcement regime</td>
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<tr>
<td>Malaysia</td>
<td>• Software may be easier to patent than in other countries: applications can be in English</td>
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<td>• Offers ‘utility innovation’ option</td>
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<td>• Madrid Protocol signatory</td>
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<td>• Recent court reforms to aid enforcement</td>
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<tr>
<td>USA</td>
<td>• Changes to patenting system are making patenting inventions implemented in software harder</td>
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<td>• Different approach to patent ‘continuations’ and ‘continuations in part’</td>
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<td></td>
<td>• Trade mark emphasis on evidence of use stronger than in other markets</td>
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<td>• Registered designs are ‘design patents’</td>
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<tr>
<td>Europe</td>
<td>• Centralised regional European patent examination available, but currently, these applications must be validated and enforced on a country-by-country basis</td>
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<tr>
<td></td>
<td>• Unitary Patent and Unified Patent Court in progress</td>
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<tr>
<td></td>
<td>• Regional registration available for trade marks and designs</td>
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*The information in this guide is accurate as of 31 December 2019*
Enforcing your IP Internationally
6. Enforcing your IP internationally

Obtaining IP gives you an opportunity to put others on notice that they shouldn’t infringe your rights. Unfortunately, notice alone may not be enough to stop some people. The ease with which you can enforce your rights varies between countries, and can potentially make a big difference to market attractiveness and profitability.

Knowing how easy or difficult your IP rights will be to enforce will help you to prioritise which markets to enter.

As explained in more detail in other guides from this series, IP rights are essentially negative in nature. They don’t permit your business to do anything, but they allow you to stop other people from doing things that fall under the scope of your protection.

If you have to exercise these rights, you’ll be looking to prevent further infringement, recover losses, claim damages for loss of reputation, and/or potentially have counterfeit goods seized.

Of course, to enforce your rights, you first need to know that they have been infringed, which is not always easy to determine at a distance. You will also wish to form a view on whether the infringement appears to be inadvertent or pre-meditated. This information can then be passed on to an IP lawyer, though any such adviser will need to be highly conversant with the application of the law in the territory in question — which typically requires them to be based in-country.

How easy your IP will then be to enforce internationally depends principally on whether the judicial system (mainly civil, but also criminal) has an efficient and effective approach to IP dispute resolution. The standard of proof required to get customs officers to act on illegal imports can also vary widely between territories. There are a number of useful guides to which you can refer when considering your options: for example, the Global IP Centre offers one on counterfeiting and piracy.

The main message, however, is that you should investigate how easy or difficult enforcement will be, and factor it into your decision regarding whether you enter a market. This applies both when considering which markets to prioritise for export purposes, and (specifically) where to file for IP protection.

There are guides available to assist you: as examples, an annual publication by the USTR (part of the US Government) attempts to gauge the effectiveness of IP protection and enforcement around the world. Another point of reference is the US Chamber of Commerce International IP Index, which in 2017 ranked Singapore’s strong IP environment among the best in the world but observed that enforcement in some other ASEAN countries, most notably Thailand, Indonesia, Philippines and...
Malaysia and other key markets in Asia (China and India) may be problematic. (see Figure 4). For more information on enforcement options in a specific country, you can also consult the official country department responsible for IP enforcement.

**Figure 4. Ease of IP right enforcement in selected jurisdictions important to Singapore-based businesses. Adapted from US Chamber International IP Index. Available online at http://www.theglobalipcenter.com/wp-content/uploads/2017/02/GIFC_IP_Index_2017_Report.pdf**

Unfortunately, if your goods or services are popular and in the public domain, there is probably going to be someone, somewhere who thinks it is worth copying your innovation, and trying to make money from your good ideas and hard work. This might involve creating counterfeit products, imitating the styling or branding associated with your goods or services, infringing your patents, or literal copying (using words, images, music or computer code without your permission).

The possibility of this kind of damage is the main reason why you should carefully ‘check out’ your initial customers and any agents, distributors or contract manufacturers with whom you work in any new market. Both of these groups, in different ways, will have privileged access to the products or services that you offer. You need to know that you can trust them and ensure that they are aware of their commercial and contractual obligations to you.

Trading conventions in parts of Asia are becoming more closely integrated as a result of a series of existing and forthcoming free trade agreements, like the Trans-Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP), as well as the formation of the ASEAN Economic Community (AEC). These should have a positive effect in

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**What are the main risks I am likely to face?**

"Often the biggest infringement risk lies with companies that are supposed to be supporting your products and services."
clamping down on illicit goods. However, in the meantime, industry reports show that there is a significant volume of counterfeit and mis-declared goods crossing borders.

Fake products — which imitate the look and feel of your own, but may not meet your quality and safety standards — can be damaging to both your profits and your reputation. Provided that you have the right IP protection in place, customs authorities in most countries can help you to prevent importation of goods of this kind. Whether you can also stop them at source will depend on what IP protection you have already obtained and where; if branding is one of the aspects being copied, trade mark protection is a good starting point, because it is relatively easy to extend to new countries as required (as explained in the first guide in this series — Safeguarding Your Competitive Edge, trade marks do not have the same time limitations as patents and designs, for example).

Popular products also tend to attract cut-price imitations that do not necessarily copy your branding but share some of your design cues. Enforcement of design rights is one way to tackle this problem, though depending on how your designs have been represented, infringers are sometimes able to work around your protection.

A strategy many companies follow is that if the imitations are of high enough quality, they may offer these potential infringers a licence so that they can become ‘official’, thus mitigating the loss of sales.

Depending on the media and content involved, literal copying may be prohibited under copyright law. However, to stop it, you will need to show that the materials were originated by you and that actual copying has taken place. In some countries, such as India and several of Singapore’s neighbours, you may need to have taken advantage of the voluntary copyright registration facilities provided by the government if you want to be in a position to seize goods or bring a case to court.

The following sections provide more detail on some of these key aspects.

How will I know if infringement is happening?

Sometimes, companies only become aware that their rights are being infringed once their sales or reputation has been significantly impacted. However, with careful planning, it’s usually possible to determine whether unauthorised activity is occurring, and who may be responsible for it.

If for example you have adopted a fairly ‘light touch’ market entry strategy and focused on a few key customers and on making contacts via exhibitions and trade fairs, it is wise to monitor the contacts you make. If customer sales volumes are higher than expected, there might be unauthorised re-selling going on; if promising trade contacts, for example from distribution companies, do not lead to orders, it may be worth

“If you use agents or distributors, you’ll often find that they are best placed to detect possible infringement”
monitoring their catalogues to ensure they are not trying to meet demand by sourcing infringing products from another source.

Where you are working with local distributors, it is good practice to put some of the responsibility for market monitoring on them. If your agreement with them is sound, they should be well motivated to be on the lookout for copying or counterfeiting, as this will adversely impact their sales too.

One quick and inexpensive way to check what is happening with your products in a particular market can be to do a search on eBay, Taobao, Alibaba or Amazon while you are in-country, and see what sort of response you get for your brand/product.

There are also helpful database services you can use to keep an eye on IP filings that are being made by known competitors, overlap with your patent classifications, or look like they might be confusingly similar in trade mark classes where you have existing protection. These are summarised in a companion guide in this series — *Knowing Your Competition*. Such databases can be accessed from anywhere in the world, so you do not require a local presence.

The key principle, exactly as with domestic market infringement, is not to delay in taking steps to address it. If you know about an issue, but fail to take any action to address it, this can be interpreted as some sort of tacit consent and may undermine the remedies available to you. Some countries, like China, have a statute of limitations that gives you only a limited time window to take action to address infringement if necessary. You do not necessarily have to take people to court, but you do have to take matters seriously.

**How do I go about enforcing my rights?**

“Seek locally-based advice, as IP laws and the overall legal framework can be quite different from Singapore.”

If you need to enforce your IP rights in another territory, you will almost certainly need some locally-based professional assistance. That is because as well as variations in IP laws, detailed elsewhere in this guide, underlying legal systems also vary — other countries’ legal systems may not be based on the same ‘common law’ principles.

As with infringement in your home market, the normal first line of action is to write directly to the offending company. However, you will need to be careful to ensure that any accusations you are making are well-grounded in solid evidence so as not to lay your company open to counter-claim. You will also want to do some background checks on the identity and activities of the infringer, so you can be confident that you know exactly whom you are dealing with.

If you need to put people on notice that you believe they are infringing your rights, then you will need to use an IP lawyer who is based in the country in question. A local Singapore firm may have offices there, or be able to provide details of reliable partners with whom they have worked in the past.
6. Enforcing your IP internationally

You may have a number of remedies open to you, and will need advice to determine which holds out the best prospect of success. They may be civil, criminal or administrative and vary from country to country. You will need to respect whatever procedural rules apply—and bear with the fact that some of these can be more bureaucratic and time-consuming than those you are accustomed to using in your home market.

While this guide cannot list all the options available to you, it is advisable to read available literature regarding enforcement activities in the particular countries that are of most interest to you. For example, you may wish to refer to a study by Mr Justice Harms of the South African Supreme Court of Appeal of South Africa, Prof David Vaver and others on the enforcement of intellectual property rights across the world.

What can I do to tackle counterfeit goods?

The fight against counterfeits is a global one, requiring coordinated action by governments, businesses and enforcement bodies around the world. If you become aware of a problem with counterfeiting, you should find local police, customs and business groups willing to discuss what can be done. The customs authorities in your home and target markets may be best placed to advise what you can do to protect your brand as it passes across international borders.

Customs authorities should be on your side when it comes to stopping counterfeits. However, they cannot help you if you have not registered your trade marks in their national registers, or own regional marks that cover the territory in question.

Most customs authorities have watch lists for brands that are particularly prone to being counterfeited, such as ‘designer label’ goods. However, they cannot be expected to check all imports, due to the huge number of items passing through ports and airports daily.

If you have a concern that your brand is being imitated, you may be able to take advantage of free registration systems for enforcement. For example, the EU operates an online Enforcement Database (EDB) containing information on products that have granted IP rights, which police and customs officials from all 28 member states can access. If you have a serious problem, you may find it advisable to visit the annual EDB forum in person.

China is often referenced in discussions on counterfeiting owing to its vast potential markets. Two bodies in China lead the enforcement of IP rights at international borders: the General Administration of Customs is responsible for administrative enforcement at China’s borders, and the Public Security Bureaux (PSBs) deal with IP enforcement.

“If you use agents or distributors, you’ll often find that they are best placed to detect possible infringement.”
In terms of further assistance, the local branch of the International Chamber of Commerce should be able to assist with all the relevant contacts that you will need in order to protect your brand and develop essential contacts with IP enforcers at all levels and in the countries relevant to your business strategy in foreign markets.

Last but not least, you may also find it helpful to monitor the internet in your export markets for usage of your brand in association with any products and services that are not authorised by your business.

**SUMMARY**

Key considerations to put yourself in a position to enforce your rights are summarised in question form in the following checklist:

- Have I assessed my target markets for ease of enforcement?
- Do I have a trusted legal advisor for my target country?
- Can I monitor my brand online?
- Have I made contact with the appropriate enforcement authorities in my target country?
- Have I registered my IP right where required?
Where do I get help?

07

GETTING RIGHTS GRANTED
IPOS: www.ipos.gov.sg/resources

GETTING IP ADVISORY
- Intangible asset audit
- Intangible asset strategy and management
- Business and technology intelligence
- Commercial analytics on patents
- Due diligence on intangible assets
- Bespoke advisory services

GETTING PATENTS RIGHT
- Patent search and examination (for both national and international PCT applications)
- Patent analytics
- Customised search services

DEALING WITH DISPUTES
IP Legal Clinic (IPOS): www.ipos.gov.sg/e-services

FOR INFORMATION AND ENQUIRIES
Website: www.iposinternational.com
Email: enquiry@iposinternational.com
Telephone: +65 6330 8660

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