

Pconnect

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The UK has always been an outward looking nation. Our economic strength relies in large measure on our ability to find partners, suppliers, and – perhaps most important of all - customers around the world. But the global environment can be challenging. British businesses looking to make their mark on the global stage can find it difficult to navigate the myriad differences in custom and practice in the nations they encounter. That's perhaps most true in those emerging markets which offer new opportunities for business growth. Outside the UK, our firms have long been the envy of the world for the outstanding support they receive through our network of Embassies and, of course, the excellent UKTI but increasingly we could see that they needed more tailored help to protect their IP. That's why we started to post IP attaches to some of those more challenging but enticing markets. And my goodness they're making a difference – helping firms that get into difficulty, encouraging the development of more effective IP regimes, winning friends and influencing people. As our IP attaches gather in London, we devote this edition of IP Connect to the outstanding work they do and other aspects of our more international endeavours. It's a big, challenging world out there - the IPO is determined to give you and yours the confidence to navigate its waters.

Rosa Wilkinson

Director of Innovation and Strategic Communications, IPO

If Outside the UK, our firms have long been the envy of the world for the outstanding support they receive through our network of Embassies...

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UK attachés export Intellectual Property expertise across the globe

14,000

UK businesses already helped by Government's intellectual property attachés. In 2015 alone businesses tell us

£47m

worth of IP rights advised upon.

"UK's efforts to build respect for IP rights in emerging economies is paramount" says **UK IP Minister Baroness Neville-Rolfe**.

- Four overseas advisors from the UK's Intellectual Property Office (IPO) have helped to protect nearly £½ billion worth of British intellectual property across the globe.
- New figures released today point to the outstanding work of the IPO's attachés – based in China, Brazil, South East Asia, and India – who have now advised more than 14,000 UK businesses doing business overseas. The advisors are also helping to promote
- respect for intellectual property in both emerging and established economies, encouraging cooperation and mutual respect for IP rights.
- In the past year alone the attachés, who help UK businesses navigate and understand local IP regimes abroad, have advised on IP rights worth in excess of £47 million and have held one-on-one meetings with more than 200 businesses.

Attachés annual networking week



Last week all the attachés were back in the UK for their annual networking week. But the international IP work of the UK is not limited to the markets in which we have IP attachés. The Foreign & Commonwealth Office's network is vital in supporting the UK's IP interests overseas, particularly where the IPO does not have staff based. So Erik Dronen, a Trade Policy Analyst based in the British Embassy in Washington whose portfolio includes IP, also linked up with the attachés during their visit.

The team's packed schedule consisted of more than 30 meetings,

providing a valuable opportunity for them to keep in touch with the developments in the UK that shape the work that they do in their respective markets. By joining forces in meetings, the attachés are able to understand cross-cutting issues and identify ways to work together to support UK interests, as well as sharing approaches that have worked in different markets.

The first part of the week focused on meeting business representatives across the spectrum of IP rights. This included meetings with brand holders, business advisors, the creative

industries, collecting societies and legal representatives. The final part of the week was devoted to keeping in touch with colleagues in the IPO, sharing updates on the developments in the UK's IP Framework and planning the IPO's broader support of international work.

With the week complete, the attachés dispersed back to their different corners of the globe and are already back at their desks do what they do best: supporting British IP interests abroad.

Meet our IP Attaches

Also referred to as Intellectual Property (IP) attachés, the IP liaison officers work with local UK Trade and Investment (UKTI) and Foreign and Commonwealth Office (FCO) leads to provide support for UK businesses seeking advice on local IP matters.

They also:

- raise awareness of through business outreach. This includes briefing business delegations, joint webinars with UKTI and local trade associations
- liaise with host governments and stakeholders about local and international IP frameworks/environment



IP in China

Tom Duke

Joined IPO: December 2011

Career history: Tom Duke was appointed the first UK IP attaché to China in December 2011. Prior to joining the British Embassy in Beijing, he was Director responsible for the IP Centre at the EU Chamber of Commerce in Seoul, South Korea. He speaks fluent Mandarin, and has been living and working in the region for nine years.

Focus in China: The Chinese IP framework is fast developing, and the UK is a key international partner. Tom, and his policy team in Beijing, provide direct support to UK companies with concerns across the IP spectrum, particularly in supporting enforcement outcomes. He also works closely with a number of Chinese government agencies on IP, to share UK expertise and best practice. This work is bolstered by several IPO visits to China each year.



Contact details:

Email: Tom.Duke2@fco.gov.uk

Tel: +86-10-5192-4495

Address: British Embassy,

11 Guanghua Lu, Beijing 100200.

The scale of China's IP system – and its rapid development – has captured attention around the world. In 2015, the State Intellectual Property Office (SIPO) received 1.1m applications for inventive patents. The China Trademark Office (CTMO) received 2.8m trademark applications. Courts in China hear more IP cases than in any other country – with over 130,000 civil disputes per year.

Rapid regulatory change

Given these incredible case volumes, it is sometimes easy to forget the relative youth of the Chinese IP system. The first modern IP law – the Chinese Trademark Law – was implemented in 1983. This contrasts with centuries of legislation and case law in the UK.

Over the three decades since this first piece of legislation, China has constructed a comprehensive and increasingly

Individual creators and inventors are using social networks to make their voices heard and influence Chinese policymakers.

sophisticated IP system. And the pace of reform remains intense: three major IP laws (the Trademark Law, Patent Law and Copyright Law) are regularly updated. Numerous judicial interpretations and regulations underneath these laws are also frequently revised – usually through a transparent public consultation process. In the British embassy, we track dozens of IP policy and legislative revisions at any one time.

As Chinese companies create and protect IP, updates to the Chinese IP framework are primarily driven by domestic Chinese interests. Domestic stakeholder groups are increasingly vocal in seminars and at government consultation events. Individual creators and inventors are using social networks to make their voices heard and influence Chinese policymakers.

How are we responding?

This environment presents opportunities for the UK. A more robust IP system – in line with international norms – supports UK trade and investment in China, by providing a predictable and stable business environment for British companies.

However, serious IP risks remain. Hundreds of companies report problems with IP in China, worth tens of millions of pounds each year to British business. The most common concerns include the production and export of infringing products; and widespread, systematic bad faith trademark applications.

IP in China

In the embassy, we help UK companies tackle these problems and, where possible, provide information at an early stage to prevent future damage. I publish a regular China IP Newsletter and have a series of IP factsheets for business – helping British companies navigate the Chinese IP system.

I also run a number of policy cooperation projects under our formal bilateral relationships with parts of the Chinese system working on IP. These projects are typically detailed policy exchanges with our Chinese counterparts aiming to assist progress in key areas. In the embassy, we help UK companies tackle these problems and, where possible, provide information at an early stage to prevent future damage.

China case study

Burberry is a leading British luxury goods company with a number of stores and e-commerce channels in China. The China IP attaché regularly speaks with Burberry's Asia-Pacific IP team on a variety of issues, including strategies to tackle bad-faith trade mark applications and counterfeit goods.

Burberry obtained trade mark protection for the Burberry check in 2003. In 2013, a Chinese individual applied to cancel the trade mark, claiming that weaving the check design into garments and bags does not constitute "use" of the mark. We supported Burberry by:

• Meeting with Burberry in-house and external counsel to formulate a strategy, including Embassy support;

 Sending a letter to the Chinese trade mark authorities emphasising the importance of the case. Embassy letters are neutral (not taking a view on the merits of the case) but can help ensure cases are handled in-line with due process;

- Arranging and accompanying Burberry to a meeting with the Chinese trade mark authorities in Beijing;
 and
- Raising the case during senior-level bilateral meetings with Chinese government IP officials.

Ultimately, the case was resolved through the local courts successfully in Burberry's favour. The check trade mark enables Burberry to develop and market related product lines in China, protecting brand positioning and contributing to UK's global export markets.

spokesman said: "We highly appreciate the consistent assistance of the IP Attaché helping us protect our brand in key markets around the world.

IP in India

Anshika Jha

Joined IPO: May 2012

Career history: Anshika Jha joined the IP attaché network in May 2012 and is based in the British High Commission in New Delhi. She is a dual qualified lawyer – a solicitor in England and Wales and an advocate in India. Having practiced law in India and worked at a leading law

firm in London, she has developed a solid grasp of both Indian IP issues and a practical knowledge of UK companies' IP concerns. Vijay lyer has provided maternity leave cover for Anshika during the past 12 months.



Contact details:

Email: anshika.jha@fco.gov.uk

Tel: +91 11 2419 2166

Address: British High Commission,

New Delhi, 110021.

India is a significant market for UK business. Bilateral trade in 2014 was £18.94bn and it is the UK's largest non-EU market.

I have spoken to many British businesses exporting to or operating in India. What I have found is that although India has a functioning IP regime compliant with the Trade Related Aspects of Intellectual Property Rights (TRIPs) Agreement, timely and effective enforcement of IP rights provided under the regime is a major concern for UK business in India.

Therefore, I think companies should take timely action to register IP rights with the relevant Indian offices. Given that registering a patent in India can take up to four or five years, companies need to be patient and work their way through the system. If faced with a situation of IP theft in India, UK companies should consult a legal practitioner with local knowledge to be able to effectively navigate through the enforcement systems.

British pharmaceutical companies also face a number of problems operating in India. For instance, India's patent law allows compulsory licensing on the grounds of affordability and non-fulfilment of a local working requirement, and has a higher standard for patentability of incremental innovations in pharmaceutical products.

I have also established and built the UK IPO's relationships with Indian IP policymakers and key stakeholders. This ensures that the UK's position is heard and understood. These relationships help me keep track of IP developments and assess the impact on UK business. I have also been using in-country IP conferences and events, as well as project work, to increase our engagement with the Indian IP framework.

In addition, I work with Foreign and Commonwealth Office (FCO) and UKTI teams to facilitate high profile ministerial visits and visits by trade missions to India. This activity brings IP issues to the attention of senior visitors, and provides 'know before you go' IP advice to UK companies when exploring the Indian market.

India case study

A UK-based milk producer planning to export its products to India contacted the IPO's attaché in India to enquire about trade mark registration in India. The attaché considered the company's existing intellectual property strategy, through which the company had already obtained trade mark protection in the UK. The company's priority was to secure cost-effective protection of rights in India. The attaché identified that the most appropriate

solution would be for the company to extend its trade mark protection using the Madrid System, an international treaty which allows an applicant to obtain trade mark protection in multiple markets simultaneously. Both, the UK and India are signatories to this treaty which meant that the company's legal team was able to initiate the Indian trade mark registration process using this method.



IP in Brazil

Sheila Alves

Joined IPO: August 2012

Career history: Over 10 years' experience of IP in public/private sectors and has managed several IP and tech transfer projects. Gained an insight into difficulties faced by foreign investors trying to navigate Brazil's IP framework whilst working at Apex-Brazil (equivalent to UKTI).

Contact details:

Email: Sheila.Alves@fco.gov.uk

1ei: +55 61 3329 2316

Address: British Embassy, SES Qd. 801, Cj. K, Brasilia, Brazil, Cep: 70408-900



Brazil has recognised IP rights for over 200 years, and was one of the founding members of the Paris Convention in 1883. Currently, Brazil is a signatory of the main international treaties connected with the protection of IP rights but internal systems need improvement.

The National Institute of Industrial Property (INPI) has made positive moves in recent years. However, there is a huge backlog in processing patents (currently around 185,000) and it can take up to 10 years for a patent to be granted.

The standard time for processing a trade mark is around 30 months, although this figure jumps drastically when an opposition is filed, taking an average of 6 years to be resolved.

Obstacles

The Brazilian IP system suffers from a complex and slow judicial system. There are only a few IP specialised courts in the country but they do not deal exclusively with IP cases and a "beginning to end" legal procedure could take up to eight years for a decision to be reached. Resulting delays make it hard to prosecute IP infringers and to seek relief through damages.

The Brazilian government is working to improve its IP system. It is hoped that in the future, companies will have a reliable and predictable IP system to work with in Brazil, allowing them to take advantage of the huge opportunities this giant country has to offer.

Brazil case study



A geographical indication (GI) identifies a product as originating from a specific geographical origin. The EU and many other countries' interpretation of the World Trade Organisation's definition of a GI is that it does not need to be a place name, but under current Brazilian Law only geographical names can gain protected GI status. This means, for example, that while Scotch Whisky has been able to gain Protected

EU, it has not been able to gain protectior in Brazil. On behalf of the Scotch Whisky Association, the IPO's attaché in Brazil has been collaborating with other EU members through the EU Delegation to work with the Brazilian government to make the necessary legislative changes. These would also pave the way for other similar GIs, such as Feta cheese, to gain protection in Brazil.

IP in South East Asia

Christabel Koh

Joined IPO: September 2013

Career history: Enjoyed several years covering international engagement at the Intellectual Property Office of Singapore (IPOS) and IP Academy Singapore.

Focus in SE Asia: Christabel plays an instrumental role in promoting

and supporting British businesses in South East Asia. She represents a point of contact for one-to-one IP support to UK businesses; leads awareness-raising through business and stakeholder outreach events; and conducts policy dialogue with host governments across the region to discuss local and international IP frameworks and environments.



Contact details:

Email: Christabel.Koh2@fco.gov.uk

Tel: +65 6424 4229

Address: British High Commission Singapore, 100 Tanglin Road,

Singapore 247919.

The ASEAN region has 10 members, all of whom have vastly different levels of development. This leads to a huge difference in the levels of IP protection and enforcement, from the high tech and highly IP literate Singapore, to the likes Laos and Cambodia who are very much still developing their IP frameworks. This can present issues for both UK companies looking to trade in the region, and for me in terms of how and where I deploy my resources.

Having said that, there are a few themes that apply across the piece, such as the need for greater enforcement of borders both into, and around the ASEAN region. This is particularly important in Vietnam, Laos and Burma where there are land borders with China. There are also increasing numbers of UK companies looking to trade in the fast developing regions like Vietnam and Indonesia

which brings with it the risks of bad faith trade mark registrations, and of course the need to have sufficient expertise in courts across the regions to ensure that cases are dealt with as quickly and fairly as possible.

It is an interesting time to be working as the IP attache, such as the need for greater enforcement of borders both into, and around the ASEAN region. This is particularly important in Vietnam, Laos and Burma which has come about because of the quality and volume of information sharing that has already taken place over the last 3 years. It leaves the UK in a strong position to influence policy making on a regional scale in the coming years. I will be working with IPO policy leads and external IP experts to ensure that we maximise this excellent opportunity which we have worked hard to create.

Southeast Asia case study

A design house contacted the IPO's Southeast Asia attaché to raise its concern over IP theft especially when a company participates in trade shows. As many businesses see increasing opportunities to showcase products at trade fairs each year, the attaché facilitated an event during the 2015 GREAT British Week in Singapore together with the organiser of a design show. The event involved design industry specialists and relevant government authorities focusing on how a company can avoid design rights pitfalls at trade fairs

and how to increase awareness of design rights to the wider community locally and regionally. By sharing the assistance available to designers to protect their IP, and giving guidance on building a customer base safely without fear of design theft, the event built company confidence in trade show participation.



In addition to the four regional attachés, since 2013, the IPO has placed an attaché in Geneva with a different focus to the attachés located outside Europe.

Geneva

Grega Kumer: WIPO and WTO Attaché

Joined IPO: January 2013

Career History: Educational background in law, with Master in EU Law. Began working in Geneva in 2009, and since then has been engaged in multilateral negotiations at the World Intellectual Property Organisation (WIPO) and the World Trade Organisation (WTO), joining the UK Mission in 2013.

Focus at WIPO: Grega represents the UK at Committees that set international standards for patents, trade marks, designs, copyright, and enforcement, as well as being closely involved in issues relating to WIPO's governance and finance. Recent focus has been on establishing a network of WIPO External Offices and continuing to work towards a treaty to simplify the process for design owners seeking registered protection in multiple markets.



Contact details:

Email: grega.kumer@fco.gov.uk **Tel**: +41 22 918 2351

Address: UK Mission Geneva, 58 Avenue Louis Casai, 1216 Geneva.

Dos and Don'ts when protecting your IP abroad

DO

Get advice

- ✓ Your brands, inventions and creativity are key business assets; do get expert advice on how to get the most out of them.
- ✓ Protect all your IP, not just patents
- ✓ Trade marks, copyrights and trade secrets are all effective ways to protect aspects of your intellectual property and should form part of your overall IP protection strategy. Intellectual property rights give very specific protection and relying on just one right will not protect all aspects of your business.
- ✓ Use employee agreements for inventions & other IP.
- ✓ Make use of employee contracts & agreements to clearly reinforce intellectual property and related issues, such as keeping inventions as company assets and non-disclosure agreements in employee contracts.
- ✓ Get good translation of contracts and agreements.

- Companies are sometimes surprised to learn that certain points were not included in the contract. Ensure you get a good and trustworthy translator who understands your business as well as your own language and the language used in the country and
- ✓ Use a range of protection methods.
- ✓ By using a range of protection methods you can reduce the risk of any single process failing. Look to combine physical security measures, annotated designs and blue prints, confidentiality agreements as well as registered IP.

DON'T

- Leave it too late to register your IP.
- in a particular country, it may be worth registering your rights there. Many countries use a first to register system which means that if you do decide to enter these markets you might find that your rights have already been registered by another company and you will have difficulty operating under

the same name.

Even if you do not sell or manufacture

- Publish anything about your invention.
- ➤ Don't publish any details on your invention or research until you have applied for patent protection. As soon as you do, you lose novelty and will not be able to file it as a patent in any country. Extend your patent to other key markets at the same time as registering it in Europe.
- Assume a patent is the best solution Keep it a trade secret.
- ➤ Patents give you exclusive rights to that invention for no more than 20 years.

 Once the patent expires, the know-how can be copied. By keeping it a trade secret you could keep it confidential forever, but on the other hand, if your trade secret is exposed, you will find it difficult to protect.
- ★ Give away your rights to distributors.
- Often companies fail to get distribution and manufacturing rights clearly defined in contracts in order to push the deal through. Don't make this mistake and ensure you include confidentiality, non-competition and manufacturing limitations in your contacts.

IP news in brief

UPC News

IT has been an active couple of weeks for the UPC Taskforce, with key decisions being made at the Preparatory Committee last week and secondary legislation amending the Patents Act being debated in Parliament.

The team were pleased to see agreement on the court fees package. It is a significant milestone in the preparations for the UPC. This follows on from the confirmation of the Unitary Patent renewal fees before Christmas, so giving a full picture of the fees for the new system.

There was also agreement that there will be no fee to opt out of the UPC. February's meeting also saw a presentation of the case management system, which will be handed over to Luxembourg where the Registry and Court of Appeal will be located during March. The Committee agreed that the system was on track and would be robust enough for the court. There will continue to be some updates over forthcoming months, and feedback will still be accepted on the test site.

Proposed changes to the Patents Rules

We have published a consultation seeking your views on various proposed changes to the Patents Rules.

The consultation document is available at: www.gov.uk/government/consultations/proposed-changes-to-the-patents-rules

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Get our blogs direct to your inbox

If you are passionate about IP or simply looking for something interesting and fun to read, we're sure you'll enjoy our weekly blogs. Our talented authors include IPO staff, external writers and industry experts.

Visit our blog.

Enforcement

Manchester multi-agency operation

Eight men were arrested and 11 premises searched during a multi-agency operation in Manchester last month.

HM Revenue and Customs (HMRC) officers seized material in relation to suspected tax evasion, including 137,600 cigarettes, 73 kilos of tobacco, counterfeit cash, and four vehicles, during searches of nine retail, one domestic address and one storage container in the Strangeways, Cheetham Hill and Bury areas.

Matt Cope, Deputy Director IP Enforcement, IPO, said:

"We are pleased to be working with colleagues in Manchester to disrupt criminal activities. Tackling counterfeits requires a coordinated response from government, enforcement agencies and businesses. Building these partnerships in Manchester is a priority for us, as set out in our recent report 'Counting the Cost', and we look forward to our continued collaboration."

Intellectual Property Office (IPO) awarded ISO 9001 Quality Certification for its UK trade mark application process.

We are pleased to announce that on 18 February the IPO's Trade Marks and Designs Division has achieved the ISO 9001 Quality certification for its UK trade mark application process – from fee payment up to registration of the trade mark. This award includes the whole examination process and any opposition that might be filed after the application is published but before it is registered.

IP Events

Click <u>here</u> for a list of forthcoming IP events which may be of interest to you or your clients/members.



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