

**OPENING ADDRESS BY MR TEO SER LUCK,
MINISTER OF STATE FOR TRADE AND INDUSTRY
AT THE IP WEEK @ SG GALA DINNER AND WIPO-IPOS IP AWARDS 2014
PRESENTATION CEREMONY ON TUESDAY, 26 AUGUST 2014, 6.50PM AT
HELICONIA BALLROOM, LEVEL 3, SANDS EXPO AND CONVENTION
CENTRE, MARINA BAY SANDS**

Dr Francis Gurry, Director General of WIPO

Dr Stanley Lai, Chairman of IPOS

Mr Tan Yih San, Chief Executive of IPOS

Distinguished Guests

Ladies and Gentlemen

Good evening.

Introduction

1. It brings me great pleasure to join you this evening for the IP Week @ SG 2014 Gala Dinner and WIPO-IPOS IP Awards presentation ceremony. IP Week @ SG, which is in its 3rd edition this year, has become an important event in the global IP calendar. Tonight's Gala Dinner, which is jointly organised by the Intellectual Property Office of Singapore (IPOS) and the World Intellectual Property Organization (WIPO), celebrates the IP Week theme of "Building a Competitive Edge with IP".

2. A key highlight of the dinner tonight is the WIPO-IPOS IP Awards, where we will be honouring seven companies for the significant impact generated by

their IP assets. These companies have amply demonstrated the importance of IP as a catalyst for growth and a source of competitive advantage.

IP and Jobs Creation

3. IP plays a significant role in the economy by helping to drive economic growth, create jobs and improve wages. According to the European Patent Office (EPO) and the Office for Harmonisation in the Internal Market (OHIM)'s industry report¹ last year, IP-intensive industries² accounted for 39% of GDP and 26%³ of employment in the European Union (EU). In the US, IP-intensive industries account for 35% of GDP and 19% of employment. Including jobs created in peripheral and support industries, IP-intensive industries generated €4.7 trillion (\$7.99 trillion) worth of economic activity and generated 77 million jobs in the EU. These jobs also paid more. In the EU, jobs in IP-intensive industries commanded wage premiums of approximately 41% compared to non IP-intensive industries.

4. As Singapore's economy becomes increasingly knowledge and innovation intensive, IP will play an increasingly important role. To take advantage of this, IPOS aims to develop Singapore as a global IP Hub in Asia.

¹ Intellectual property rights intensive industries: contribution to economic performance and employment in the European Union – http://ec.europa.eu/internal_market/intellectual-property/docs/joint-report-epo-ohim-final-version_en.pdf

² IP-intensive industries are defined as those having above average use of IP rights per employee. The calculation methodology involves totaling IP right usage (i.e. Patent, Trade Mark, and Design) within each sector and proportioning it with employees within the sector as well as within the EU as a whole.

³ 25.9% of employment is generated directly by IP-intensive industries. An additional 9.1% are generated indirectly from peripheral and support industries.

5. To accelerate IP jobs creation in Singapore, IPOS launched the IP Competency Framework (IPCF) in April 2013⁴ to help professionalise the IP ecosystem. The framework categorises IP-related jobs into industry sectors such as legal advisory, drafting & prosecution, technology and business, defines the key competencies required, accredits training providers and certifies professionals who have attained these competencies. We are pleased that the Law Society (LawSoc), Association of Singapore Patent Attorneys (ASPA) and Institution of Engineers Singapore (IES) have all adopted the IPCF earlier this year, and will use it to certify professionals in their respective domains. This will help strengthen the quality and capabilities of our IP professionals and places us on track to create more high value-added IP jobs in Singapore.

IP and Enterprise

6. Innovation is a driving force for enterprise growth. Through innovation, companies can forge new frontiers and deliver novel and useful products that better meet their customers' needs. To maximise the returns from innovation and propel growth, companies should ensure that the IP generated is managed effectively.

7. Management of an IP portfolio is not just about patenting an invention or trademarking a logo. Instead, it needs to be part of a wider corporate strategy for companies to exploit and monetise their ideas. For example, a logo can be

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<http://www.ipos.gov.sg/MediaEvents/Readnews/tabid/873/articleid/229/category/Press%20Releases/parentId/80/year/2013/Default.aspx>

curated and carefully managed to enhance brand value. Brands confer considerable intangible benefits to companies, such as customer loyalty, recognition of quality and product differentiation. Brand Finance's 2014 Report⁵ valued Singapore's top 100 brands collectively at S\$50.3 billion. The top 100 global brands have a collective value of S\$2.9 trillion. This demonstrates the tremendous value that intangible assets can bring to a company. Fraser and Neave (F&N) is an example of a company which has managed its brand well. From its beginnings as a printing business⁶ more than a century ago, the company diversified to food & beverage, property development & management and publishing & printing whilst maintaining and managing its distinctive and catchy trademarks. Today, F&N is renowned globally for its product brands such as 100PLUS, Ice Mountain, Magnolia and Fruit Tree.

8. IP management complements innovation, and companies should constantly review their IP management strategy to make sure they keep up with developments in innovation. Advanpack Solutions, a packaging solutions provider for semiconductor manufacturers, is a good example of this. In 2004, it adopted an asset-light, R&D-intensive strategy, which saw the company licensing its technologies to downstream semiconductor manufacturers. This reduced the need for Advanpack to manufacture its own products, and resulted in substantial savings on capital investment and operational costs, which were subsequently reinvested into its R&D efforts. This business model also allowed Advanpack to

⁵ The Brand Finance Top 100 Singapore Brands Report 2014

⁶ F&N started as Singapore and Straits Printing Office in 1883. In 1898, a new company named F&N was started and the existing SSPO was sold to it.

forge close partnerships with end-users and gain a good understanding of their problems and challenges, which in turn provided focus for its R&D efforts. By leveraging on its patents, Advanpack successfully transformed itself from a packing service company into a technology-intensive company with more than 15 licensees of its breakthrough inventions. Another example is WisTa Laboratories, which owns and actively commercialises IP for therapies and diagnostics for neurodegenerative diseases.

9. In light of strong global competition, multinational companies (MNCs) and small-medium enterprises (SMEs) alike need to be creative in carving out a niche and distinguishing themselves from their competition. They need to constantly adapt, harness new technologies and drive productivity through innovation to position themselves for growth. And with strategic IP management, they can keep ahead of the competition.

IP and Entrepreneurship

10. IP management is also particularly important for start-ups, which are a key driver of the Singapore economy. Ideas sparked by start-ups have the potential to change or create markets. Hence, it is important to protect these ideas as IP assets.

11. For example, to address the problem of moisture being trapped in wooden guitars, Guitaring Passionately developed the world's first portable guitar

dehumidifier called the “KILN”, and has filed this idea for IP protection in Singapore and the United States. The KILN can be placed in a guitar and programmed to provide constant heating to remove moisture. To prevent overheating of the guitar, it also has built-in environment adapters to detect and trigger override mechanisms in the event of a temperature build-up. This is a significant improvement over earlier methods of removing moisture, which is by using silica gel, and demonstrates Guitaring Passionately’s commitment to providing quality user-experience and delivering cutting-edge innovation.

12. Such ideas-driven, IP-centric companies and their success stories are a source of inspiration to entrepreneurs and emerging start-ups. To encourage entrepreneurs to better manage their IP, IPOS has introduced initiatives such as the IP Financing Scheme (IPFS), launched by Minister Shanmugam earlier today, to enhance companies’ access to financing capital, using their IP assets as collateral. IPOS is also actively engaging companies to shore up their IP management capabilities. Earlier this year, IPOS launched a one-stop IP service centre, IP101, to raise public awareness about IP and assist local communities with their IP needs.

WIPO – IPOS Awards 2014

13. This evening’s WIPO-IPOS IP Awards ceremony honours companies in Singapore who lead the field in the creation and use of IP, and who are deserving examples for others to emulate and follow. There are seven award categories, namely Top User of the Patent Cooperation Treaty System, the

Madrid System and the Hague System; Patents – Technology Creation; Patents – IP Commercialisation; Exceptional Trade Mark Use; and Design Innovation. These winners have been carefully selected and evaluated by a panel of international and local judges with diverse marketing, scientific and business backgrounds, and are recognised leaders in their fields. I would like to congratulate all award winners tonight.

WIPO – IPOS Partnership

14. WIPO and IPOS enjoy a strong partnership. WIPO has been an important partner for various IP capacity building activities both within the region and also on the international stage. The establishment of WIPO's external office in 2005 in Singapore⁷ and the organisation of the second WIPO-IPOS IP Awards attest to the strong and dynamic ties that both organisations share. On the regional front, IPOS has been working closely with the WIPO Singapore Office (WSO) to deliver technical assistance and capacity building programmes on IP-related themes for entrepreneurs, senior policy officials, business owners and IP professionals in the Asia Pacific region. This is important to enable our companies to tap growth opportunities in the Asia Pacific region.

Conclusion

15. In closing, let me thank WIPO and IPOS for organising the awards and event. IP has become a key driver of economic growth globally, and if harnessed properly, can be a valuable game-changer to deliver sustained competitive

⁷ WIPO has four external offices globally. They are located in New York, Brazil, Japan and Singapore.

advantage for both enterprises and economies. I hope the exciting suite of seminars, workshops and exhibitions at IP Week will provide fresh perspectives and insights on how IP can benefit you and your company.

16. Thank you and have a fruitful IP week ahead.

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