

Safeguarding Your Competitive Edge

*What intellectual property is,
and how it can help your
business to grow*





Contents

Introduction	4
1. What intellectual property offers	5
How do ideas and IP relate to each other?	6
How does IP relate to invention and innovation?	7
Is IP just about inventing things?	7
What do I have to do to get IP rights?	8
What do IP rights contribute at each growth stage?	9
What can I do with these rights once I have them?	10
What happens if someone copies me?	10
Checklist	11
2. What do the different types of IP involve?	12
Patents: for inventions	13
Trade marks: for brands	13
Registered designs: for styling	14
Copyright: for words, pictures and other creative works	15
Trade secrets: for things only you know	16
Additional, special types of protection	17
Checklist	18
3. How to prioritise IP rights	19
Which rights are best at protecting my competitive advantage?	20
What should I do about other people's IP rights?	21
Which IP rights are easiest to exploit on their own?	22
How long do rights take to obtain?	23
When is secrecy most important?	25
How much should I budget for IP protection?	26
Checklist	27
4. How you obtain IP rights	28
How do I register a trade mark?	29
How do I get my patent granted?	29
How do I register my design?	31
What should I do to protect my copyright?	32
Keeping your trade secrets	33
Checklist	34
5. How you protect and enforce IP rights	35
Should I tell people what IP I own?	36
How do I put people on notice of my IP?	37
How do I find out if someone else is infringing my IP?	38
How do I go about enforcing my rights?	39
What should I do if I am challenged?	40
Where does breach of confidence law come in?	41
Checklist	42
6. Where to go for help	43

Introduction

This guide has been produced to help you answer one very important question: what does intellectual property —‘IP’ for short— mean for my business?

In contrast to the industrial age, today’s globalised, high-tech, knowledge-based, innovation-driven economy is chiefly driven by intangible assets — non-physical things. Intellectual property is the collective name given to special types of intangibles that concern your inventions, brands, designs and creative works against imitators.

It is essential to establish, protect and enforce the legal rights that come with IP — whatever your industry or line of business, and regardless of whether you are a local shop, an Internet venture or a manufacturing company. The IP rights you own, and their relationship to any relevant IP rights that are controlled by other people, are likely to be key to your success: they govern what you can and can’t do with your business ideas.

IP is often thought of as being a complex legal matter that’s all about patents. That’s not a very accurate, or helpful, way of viewing it! It’s true that parts of the IP system do involve some cost and complexity, but the essential underlying principles are relatively straightforward and easy to grasp, as this guide will show you. It isn’t difficult to get basic protection in place, and use it to achieve your business objectives: but the key point is that IP is simply too important to ignore.

The following six sections provide information on:

- **Why IP is important in building value, managing risks and achieving your business objectives**
- **Which types of IP are available**
- **How to identify the types that are most relevant**
- **When these IP rights are available to you**
- **What these rights enable you to do**
- **Where to obtain further assistance**

Other guides in this series provide you with helpful insights on a range of related subjects, including how to identify all the assets you already have, how to write an IP strategy, what to do to extend your IP protection internationally, and where to find important information on what your competitors are doing with their IP.

Produced by IP ValueLab, these intellectual property management (IPM) business guides aim to deliver a suite of IP solutions for enterprises based on industry best practices. As the enterprise engagement arm of the Intellectual Property Office of Singapore (IPOS), IP ValueLab helps businesses establish a strong IP position for sustainable margins and higher returns. 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. IP ValueLab’s business portal www.ipvaluelab.com.sg 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 enquiries@ipvaluelab.com.sg or call +65 63308610.



What intellectual property offers



01

*How do ideas and IP
relate to each other?*

1. What intellectual property offers



How do ideas and IP relate to each other?

Businesses that have the capacity to grow are generally based on an idea: a vision that there is a better way of doing something. 'Better' can mean many things — faster, cheaper, stronger, longer-lasting. The basis for intellectual property,

or IP, lies in how one person's idea of 'better' is different from the existing alternatives.

Once your idea has taken on a definite form — as a description, a design, an image, a brand or any kind of composition — the possibility exists to protect this expression of your idea against imitators. This guide will explain which types of IP rights are best suited for use with the particular sort of idea you have (often, more than one type will be relevant).

Since other people have IP rights too, it follows that your idea has to be original in some way in order to attract this kind of protection. You cannot simply copy other people's ideas; equally, you cannot prevent someone else from following the same thought process as you and reaching a similar conclusion. What the IP regime does is enable inventors, designers and creators to stop other people making, selling, importing, distributing or otherwise dealing in the IP rights they have protected, in all the territories where that protection applies.

There are various rules that must be complied with in order to secure these IP rights. The steps that need to be taken to obtain protection vary by the type of IP involved - the basics of each process are explained in this guide.

“Once your ideas have taken on a definite form, you should consider whether you can protect them as IP”

Where IP needs to be officially registered in order to make it enforceable, it generally makes sense to ensure that these rights have not already been awarded to someone else before you apply for them. Conducting searches can help you make sure you are not reinventing the wheel (in which case, you either won't be able to obtain any rights, or they won't prove to be effective).



How does IP relate to invention and innovation

Inventions can take many forms. They don't have to be hi-tech or complicated to be protectable. As an example, you might invent a new method that improves an existing process; a new material that has superior properties; a machine that does something new or offers better performance; or a brand new 'thing' altogether. Depending on what they are, all of these can be protectable with patents (the particular type of IP that protects inventions).



Invention

Innovation involves something extra. It describes the process, and the outcome, of bringing an invention successfully to the market. Innovation, not just invention, is what makes businesses grow. If no one else is using your brilliant idea, you may be a great inventor, but you're not an innovator.



It's important to bear in mind that IP rights are essentially negative in nature. That means they give you the ability to stop other people from copying you, but they don't guarantee that you can use your invention or that it will be successful. For example, you could patent an engine that could propel a car at 500 km/h, but it wouldn't necessarily be lawful to use it.

“ IP is the essential ingredient behind many leading innovations, because it protects what makes them different ”

However, you have a much better chance of innovating, and thereby getting a good return on your investment, if you have strong, well-chosen IP rights that can support your commercial strategy. That is because you'll be able to discourage other people from copying your work or imitating your invention, and if they decide to do so anyway, you'll have the right to stop them, especially with registered rights.

Is IP just about inventing things?

Most people think that intellectual property is all about patents and that IP and its associated IP rights are only applicable to large and/or high tech companies. These are myths!

Patents are just one of several forms of intellectual property. IP, in turn, is just one special type of non-physical business asset. Also, small businesses create, use and need IP rights too!

“ Patents are just one form of IP protection that can help businesses to innovate ”

As you'll see from the following chapter in this guide, IP rights come in a number of types. The IP most often found in business isn't, in fact, a patent — it's copyright. This is usually associated with creative works (things like photographs, pictures, books, plays and films) but it can also protect the words on your website and the lines of code in any software you write; it even covers the layout of your brochures and any notes that you take.

As well as particular legal rights that fall within the strict definition of intellectual property, there are many other types of intangible assets most businesses rely on. These include trade secrets and confidential information, databases and contractual rights like licences and franchising agreements. It is important for any business to have a clear plan of how these assets will be protected, and used to support the company's growth.

1. What intellectual property offers

There's also a further category of resource that nearly all businesses use but don't 'own' in the same formal way. It includes the people that you employ (who are often referred to as your greatest asset!) and other companies' IP rights that you use under licence, like the standard software on your computer. Collectively, you'll sometimes hear all this kind of thing referred to as your 'intellectual capital'.

What do I have to do to get IP rights?

Each type of IP has particular rules that apply to it. There are three general (but not universal) points to bear in mind at the outset.

“Most, but not all, types of IP require you to take some action in order to obtain them”

1. Firstly, some, but not all, IP needs to be registered.
2. Secondly, most types of IP are territorial, and only apply where they are registered.
3. Thirdly, most IP is time-limited and doesn't last forever.

The types of IP associated with physical inventions, the external appearance of objects (two- and three-dimensional) and brands are, respectively, *patents*, *designs* and *trade marks*. These should be registered with IPOs and/or its international equivalents. An application involves time, money, and varying degrees of external involvement, such as checking of formalities and examination procedures. However, copyright used to protect creative works of various kinds is automatic and does not need to be registered in order to exist. The following chapters in this guide provide more information on the individual requirements and levels of protection associated with each right.



Territorial

When IP rights are described as *'territorial'*, it simply means that where registration is needed, it has to be done in all the countries (or sometimes regions) where protection is required. Very few companies, even the largest multinational firms, register all their IP in every country, so it is important to consider what needs to be protected and where. Copyright, however, operates to very similar rules in nearly all countries thanks to the Berne Convention (explained in the next chapter).



Time limit

Most IP comes with a time limit because it's a fundamental principle of granting monopoly rights over inventions, words or shapes that they cannot last forever. Once registered or granted, your rights will need to be renewed every 1, 5 or 10 years throughout their lifetime (with *trade marks*, you can do this indefinitely as long as you continue to use them).

The main exception is copyright, which still has a limited lifespan, but does not require renewal; some countries (including a number of others in ASEAN) do run voluntary national *registers*, but recording your copyright with them is a one-off exercise.

What do IP rights contribute at each growth stage?

It's never too early to start considering your IP, and there is a limited timeframe within which certain rights can be obtained. However, it does not always pay to rush into obtaining protection — the IP rights you obtain should be chosen to support your business strategy.

IP is often very important for early-stage companies. For businesses that deal in cutting-edge technologies in fields like pharmaceuticals, medical devices, fintech and consumer electronics, getting an IP strategy in place is likely to be essential — not least because investors will be asking questions on how competitive advantage is to be created and sustained. Helpfully, the IP system has elements that enable protection to be applied for even when an invention is not fully refined, establishing what's known as a 'priority date'. It also enables some of the larger costs to be deferred until the commercial opportunity is clearer. However, there are still some strict deadlines that must be observed.



While designs and patents should be applied for prior to use (as advance disclosure may invalidate your ability to obtain protection), brand-related measures can be actioned at any time.

“With IP, timing is important. Your strategy will dictate what to apply for and when. There are deadlines to meet”

However, when choosing a name (both for your business and your products or services), it's important to ensure that formal protection is likely to be available when needed and advisable that you secure rights early, where possible. This extends not only to trade marks but also to domain names and company names.

Once your business is more established, there is a growing number of ways in which you can capitalise on your IP rights. As one example, if you are generating predictable cash flows, you may be able to generate interest from investors or investment funds such as Makara Innovation Fund.

IP rights are also very important at exit. For many businesses, their IP (and the other 'intangible assets' that support them) turns out to be the most valuable assets of all. The competitive advantage that IP rights safeguard can often be worth millions of dollars, not least because they offer a buyer a means of sustaining those important cash flows into the future.

1. What intellectual property offers



What can I do with these rights once I have them?

IP rights are a form of property. This means that as well as being used in your business, they can be traded in much the same way as any other type of asset. They also provide you with freedom and control, but they do need to be managed with care; neglecting your IP can prove to be very expensive.

“IP rights allow you to trade with greater confidence. They underpin many profitable business models”

For many companies, the top priority is to ensure that the core business model is protected against imitation. While they cannot cover every aspect, IP rights usually provide the best way of safeguarding your investment. You obtain rights because you intend to use them, and if necessary, defend them by enforcing them. Your customers will expect you to ‘stand behind’ your creation or invention if it is challenged.

For some companies, the business model requires rights to be shared. If you want to set up a franchise operation, for example, it is very important that you are able to offer rights to your franchisees using licences. These will typically give you a means of generating income via a share of turnover, using royalties that are based on the use of your IP (and sometimes other assets too).

Rights can also be shared with other companies – with or without money changing hands — or sold (usually called ‘assignment’). You may find that you need to obtain permission to use other people’s IP rights in order to trade (especially if you operate in markets where lots of rival companies are developing new technologies in your field).

Beyond immediate commercial considerations, IP rights can provide you with the freedom and confidence to run your business as you see fit, without interference. They give you a greater degree of control over the future, and protect the integrity of your products and services, and thereby your customer relationships.

However, you do need to look after your IP rights. They may, as explained above, need periodic renewal; they may need to be refreshed periodically in order to stay relevant in their marketplace; they may be copied by other people, or they may be attacked by other companies.

What happens if someone copies me?

If you have IP rights in place, you can take legal action to enforce them if you discover other people are copying or ‘infringing’ you. Of course, you also have a responsibility to ensure that what you do not infringe anyone else’s IP either.



Copying

Sometimes infringement is ‘clear-cut’ — it is obvious that another business is intentionally copying your innovation —

“ Rights are easier to enforce if they are registered – the burden falls on the ‘offender’ to prove they aren’t infringing ”

and on other occasions, it is more subtle. It is important when seeking IP protection to make sure the rights you obtain cover the aspects, and the territories, that are most important for you commercially, so that you can take action against both kinds of activity, both in your own interests and those of your customers.

The remedies that are available to you to tackle infringement vary by IP type, and to an extent by territory also. However, in general, the law is on the side of the IP holder, and as well as being able to sue people who copy you for lost income and damages, you may also be able to have their goods impounded, destroyed or even prevent them from being able to trade.

Enforcement is the term normally used to describe the process of tackling infringement. Sometimes, it is necessary to issue a warning letter to the offending company, if only to alert them to the fact that rights exist. It is worthwhile taking professional advice before you threaten legal proceedings, to ensure any claim of infringement is not later deemed unjustified, leaving you open to future claims by an aggrieved party.

In other cases, you may need to take them to court in order to bring about either a settlement or a decision in your favour. This can be a costly and protracted process, though it’s possible to take out IP insurance to cover such circumstances.

You may also be able to pursue other routes to resolve disputes, such as by using arbitration or mediation; and sometimes, you may be able to turn an infringer into a customer or a distribution channel.



SUMMARY

The following list summarises some of the key points in this chapter, to help you determine what IP means for your business.

The easiest way to protect an idea is to keep it secret — but that may stop you from using it!

IP rights often provide the best way to protect competitive advantage

However, IP gives you rights to stop other people — it’s not a guarantee of success

An idea has to be recorded in some way before it can be protected using IP law

Inventions, creativity, styling and branding can all be safeguarded using IP law

Most types of IP rights are territorial, time-limited, and require you to do something

You may have lots of other non-physical assets that aren’t strictly IP but are also important

You can exploit IP on its own rights, as well as using it to underpin your business model

RTY



What do the different types of IP involve?



02

*Patents, trade marks,
registered designs, copyrights,
trade secrets & other types
of protection*

PATEN

Patents : for inventions

A patent protects an invention. It is potentially available for anything that solves a problem in a new and improved way, provided that it has a ‘technical effect’.

Patents can last for 20 years (sometimes longer in a few strictly defined cases). They need to be applied for in each territory or region where protection is needed; this choice will tend to be governed by the places you want to sell your invention, and where you think other people might be most likely to copy it.



To be granted, your application needs to meet certain rules: it must be novel, it must be inventive (‘not obvious’), it must be ‘technical’ in nature, and it must be capable of industrial application. There are also some exclusions, explained below.

The key point to bear in mind is that in exchange for the right to exclude others from doing certain things with your invention, you must explain, and place in the public domain, details of how your invention works. Once your application is published, as part of the grant process, the genie is out of the bottle!

While official fees up to the point of grant are not large, most territories charge annual renewals, and you will need professional advice to obtain protection that is commercially useful. For these reasons, patents are expensive. However, the costs at first filing need not be very large, and give you the opportunity to describe your invention as ‘patent pending’.

Also, international agreements (such as the Patent Cooperation Treaty, or PCT, system) provide pathways to extend protection to other markets based on a single ‘priority date’. These defer the largest cost burdens for around two and a half years from first filing – giving you a chance to make some money from your invention first. The international guide in this series (‘Going Global’) contains more information on obtaining and enforcing patents in other countries.

The existence of a granted patent may be enough to deter imitators, but if it doesn’t, the patent gives you the right to stop them and claim damages (even if they are unaware that your patent exists). Patents can also be assigned, licensed, transferred or offered up as collateral, much like any other asset.

“ Patents are generally regarded as offering the strongest protection of all IP rights, but require invention disclosure ”

Trade marks : for brands

A trade mark protects words, images (such as logos) and certain styles that are distinctive of your goods or services. It is a great way to differentiate your brand and offerings from others in the marketplace. Marks can last indefinitely if renewed when due.

Unlike some other IP rights, you can apply for a trade mark at any time, whether or not you are already using it (though you can lose your rights to it if you don’t make use of it for an extended period). Once registered, you get the exclusive right to use your protected brand for the uses and in the territories that you specify. You can also use a special symbol — an

2. What do the different types of IP involve?

® — to warn other people that the mark is protected (but only if your mark genuinely is registered).

The range of marks you can obtain is broad. Whilst the strongest protection is generally reckoned to come from registering plain text wording, trade marks can also be logos, combinations of letters (Roman script or Chinese characters), shapes, sounds, slogans and even colours. However, they only protect you for the goods or services that are approved when you successfully register your mark.



“Trade marks can be applied for at any time and can last indefinitely if you renew them when due”

Once registered, a trade mark provides a ‘hook’ on which you can hang other related assets that you develop as your business grows — like goodwill. If someone tries to imitate your brand, it’s the trade mark that provides the easiest route to take people to court and claim damages, which could include loss of business and loss of reputation.

Registered designs : for styling

If the way your product looks is key to sales, you should consider registered design protection. This is aimed at the distinctive styling of any product that is going to be produced in volume. It can protect aspects that are two- or three-dimensional in nature.

Designs are about appearance, rather than functionality (to protect what something does or how it works, you’ll need a patent). As a result, you cannot use design registration for parts of a product that has to look a certain way as a result of what they do. However, imaginative use of design rights can protect the shape, configuration, pattern or ornament applied to an article by an industrial process.

The maximum term of protection for newly filed Singapore registrations is 15 years (renewable every five years at progressively increasing cost), although can be longer in some other countries.

It’s not necessary for a whole design to be entirely novel in order to obtain registration. For example, you don’t need to have invented the chair to register your particular chair concept!

On products that are somewhat generic in nature, you can generally apply to protect only specific, designated aspects of a design that you register. In many jurisdictions, you can illustrate ‘claimed’ parts of a design in solid lines and other ‘disclaimed’ parts of the design in broken lines. However, as the international guide (‘Going Global’) explains, examination in other countries can get complex when it comes to assessing the ‘overall’ appearance of a ‘whole’ product.

“ *Design rights are there to protect the external appearance of your products* ”

Like other forms of IP rights, if someone copies protected aspects of your design, you can sue them to seek injunctive relief (which means you can stop the infringing goods from being sold), damages and/or lost profits. You can also license your designs, or sell them to other people, and you can apply for international protection using broadly similar rules (in the United States of America (US), you would be applying for a ‘design patent’).

Designs can be powerful: some of the biggest disputes in the consumer electronics field (for example, between Apple and Samsung) have centred on design protection. The definition of a design is also quite flexible: recent changes mean that registered design protection may now be sought for static and dynamic graphical user interfaces (GUIs).

The main point to be aware of, however, is that depending on how your application is set out and illustrated, it can be comparatively easy for another firm to make changes to your concept and ‘design around’ your protection. Accordingly, it pays to formulate your registration with care. How you represent your design in your application is crucial, and professional advice is advised.

Copyrights : for words, pictures & other creative works

Copyright is automatic and long-lasting, starting from the point at which you record the material it covers — in writing, or in any other way. It gives creators rights to control how their works are used, and it’s the default right covering software code.

With a few exceptions (such as quotation for research purposes), copyright gives you economic rights over the way in which a work is copied, published, adapted or communicated. As an individual creator, you may also have certain ‘moral rights’ to determine how the work is identified and used. The © symbol can be used to put others on notice of your copyright ownership.

“ *Copyright protects the way in which you express your ideas – though not the ideas themselves* ”

If you work for a company, your employer or commissioner owns the copyright in the work you do as part of your job for them; and if another person commissions you to produce a photograph or illustration to special order, Singapore’s copyright law places the ownership of the work with the commissioner (this differs in other jurisdictions). In general, however, it’s the creator that has automatic ownership, unless otherwise agreed by contract. This is important to remember when dealing with suppliers (such as web designers) to produce anything that’s creative in nature.



Copyright
duration

Copyright lasts for between 25 and 70 or more years, depending on the nature of what has been produced. It’s also fairly consistent internationally; when copyright is created in any country that is a signatory to an agreement called the Berne Convention, copyright protection automatically arises in every other country that is also a party to it.

2. What do the different types of IP involve?

However, copyright only protects against actual copying — not against someone else coming up with the same creative expression independently. For this reason, it's important to retain copies of the workings leading up to the production of a copyrighted work and to help prove date of creation. If you are challenged, these materials (and whether you had access to the original work) will determine whether you have a case to answer.

Copyright is automatic (once recorded) and there is no formal registration system in Singapore. Some neighbouring countries and others further afield (such as India and the US) do offer voluntary copyright registers. These can be helpful in proving ownership and date of creation should you need to raise an action to enforce your rights later.

**Trade secrets :
for things
only you
know**

While patents and designs require you to 'go public' with your new invention or creation, you sometimes have the opportunity to keep it a secret instead. This may give you even longer-lasting protection for innovations that can't easily be 'reverse engineered'.

“A business can make use of both trade secrets and patents – but not for the same thing”

A trade secret is a discrete piece of information that is not widely known within your industry. It may be a way of working, a recipe, a formula, procedure, set of algorithms or a specification, but it is generally used to refer to something that is important and that contributes to a commercial advantage.

While trade secrets are often thought of as being part of a company's IP, they are in fact covered by the laws regarding confidential information. If someone intentionally discloses something they know to be a secret (such as an employee or a supplier), you would sue them under the rules governing breach of confidence. You may also be able to rely on Singapore's Computer Misuse Act, which defines it an offence if a person obtains unauthorised access to an employer's computers to retrieve or download information, such as confidential trade secrets stored in electronic form.



**Staff access
to trade
secret**

This means it is really important to ensure that only staff with a 'need to know' have access to the secret; that everyone within a company is under a duty not to disclose confidential information (this should be set out in their employment contract); and that any documentation of a secret is clearly marked as being confidential or trade secret. You may need to prove in court that you made it clear to all parties what was a trade secret and should be kept confidential.

“ If you can closely control your end-to-end means of production, secrecy can work well ”

It's standard business practice to put a non-disclosure agreement (an 'NDA') in place whenever any confidential information needs to be shared with external organisations, and to keep records of all NDAs that are in place (especially since these are often mutual, and bind you to keep reciprocal secrets safe too).

If it's obvious from a finished product how a trade secret works, then secrecy will not prove to be an effective business strategy. Reverse engineering is not illegal, and if someone else can work out how your product works, they can use it without liability to you. However, if you can closely control your end-to-end means of production, secrecy can work well.

Additional, special types of protection

There are a number of special types of IP protection that are not available in all countries, but may be worth considering — either to take advantage of them or to ensure you don't infringe them. Below, the main ones to bear in mind are set out.

1.

If you work with semiconductors, the designs of integrated circuits that are the result of individual 'intellectual effort' and not commonplace in the industry can be protected in Singapore (under the Layout-Designs of Integrated Circuits Act) and some other countries under a special form of IP right that provides protection against copying for 15 years. No registration is necessary.

2.

If you are a plant breeder and you discover and develop a new variety, you can apply for a Grant of Protection for it, called Plant Variety Protection (or Plant Breeder's Rights in some countries). Subject to conditions regarding novelty, distinctness, uniformity and stability, you can obtain an exclusive right to produce, sell and license your new variety, which can be maintained for up to 25 years subject to payment of an annual renewal fee.

In some neighbouring countries — including China and Malaysia — there is an opportunity to protect an invention with a utility model (occasionally also called a utility innovation, 'petty patent' or 'Gebrauchsmuster' in Germany and Austria). This provides a type of protection broadly similar to a patent, but is less rigorously examined; the main focus is on whether the invention is novel, rather than how inventive it is, and this kind of protection may not be applicable to processes (ways of doing things). Utility models are quick to obtain (often taking under a year); however they are also shorter-lived (10 years in the case of China), and their validity is easier to challenge.

2. What do the different types of IP involve?

As another example, in Australia, utility models (or petty patents) have now been replaced with an 'innovation patent', which lasts for 8 years and protects inventions that do not meet the inventive threshold required for standard patents. This may cover a new device, substance, method or process.

When exporting, it is always a good idea to gather some intelligence on the rights that may exist in other countries where you wish to trade.



SUMMARY

The following list summarises what assets can be protected using each of the rights described in this chapter, to help you identify the types that are likely to be most important for your business.

Patents can protect articles, machines, materials or processes that solve an "industrial" problem in a new & improved way

Trade marks protect the identity of goods and services and can cover names, logos, & other distinctive, non-descriptive aspects

Registered designs protect the external appearance of objects. They can also be used to protect two-dimensional things, from patterns to GUIs

The words, pictures, illustrations & music you produce will all be covered by copyrights, which also extends to software code

While not strictly IP law, trade secrets may be a viable option to protect your invention, provided you can keep them confidential

There are special types of protection for other innovations, like new plant varieties and semiconductor designs, and for geographical origin



How to prioritise IP rights



03

*Which rights are best
at protecting my
competitive advantage?*

3. How to prioritise IP rights

Which rights are best at protecting my competitive advantage?

Competitive advantage can come in many forms. It may relate to quality, cost, speed, efficiency, customer appeal, or a combination of these and other factors. Two important questions to ask are: where does the foundation for this advantage lie, and how am I going to communicate it to my customers?

“The right IP strategy can make your competitive advantage sustainable in the long term”

When companies introduce new products, they generally aim to get ‘first mover advantage’. This can be a very important asset, but it tends to be short-lived.

1. If you can't stop competitors from copying your innovation, you're committing your business to a very short trading cycle, and/or to innovating continuously just to stay afloat. Continuous innovation is great, but it's so much better when it is combined with an IP strategy that turns the temporary advantage you create into something much more sustainable.
2. If the advantage you care about relates to a unique product, machine or process, or a new application for an existing material or method, then you should first consider whether a patent is applicable, as this will provide you with the strongest protection for it if granted. However, if you can retain control over production, you may be able to keep it a secret, provided your innovation won't be easy to copy once others have access to the finished article.
3. If the appearance of your product is new and distinctive, and likely to be a key selling point, then design registration is well worth considering, especially as it is inexpensive and quick to obtain. On the other hand, if it's the written or visual content of a product or service that is the key distinguishing feature, you may not need to register any rights, as copyright protection will take care of it (to the maximum extent possible).

Whatever type of advantage you believe you have, you'll also need to consider how you communicate this important difference to your customers and encourage repeat business with it. This usually involves creating some kind of brand — whether it's just a company name or a whole suite of individual product identities. The larger your potential market (especially when dealing with consumers), the more important it is that you can create and protect your identity, and trade marks will be an essential component of that strategy.



4.

Lastly, if you work in semiconductors or plant breeding or are involved in the importation of specialist regional produce from other countries, there are some specific forms of protection that may be relevant to you, as summarised in the previous chapter.

What should I do about other people's IP rights?

“It's important to minimise the risk of infringement, so that your business is not side-tracked by disputes”

Just as you want your business to have the rights it needs to succeed, it is vital to remember that other companies have rights too. You need to establish 'freedom to operate' so that you can deliver your promise to customers without worrying that you may be infringing someone else's IP.

1.

If your company deals in words and pictures or delivers services over the web, then copyright infringement is likely to be the main area of risk. Here, the rules are relatively simple. Make sure that you originate all text yourself, or commission someone to do it for you and obtain an assignment from them (with undertakings that it's not been copied).

2.

If you are using pictures on your website, either take them yourself, commission them specially, or use an approved stock image library and pay for the appropriate licence. Never 'lift' them from another website (even one you have previously built) without obtaining permission.

3.

If your business is more technical, you will need to consider whether what you do could infringe on anyone else's patents.

This is especially important if you are exporting — you may find that inventions not protected in Singapore are covered by patents elsewhere. Searching your immediate competitors for patent ownership is a good place to start, though it's important to remember that some technologies are applicable across many markets. You may require some professional assistance with this aspect (there's another guide in this series, 'Knowing Your Competition', that contains further information on searching).

It's easy to establish whether the name you want to use is already registered as a trade mark, as national and regional databases hold this information. Your obligation in law is that you must not use branding likely to confuse the public about the origin of your products or services. 'Confusingly similar' can include, for example, the way a word sounds as well as how it looks. This may be important when looking at export markets that have their own letter characters, such as China, Thailand, Japan or India.

It's harder to search databases for designs, due to the complex classification systems that are used. However, it's relatively easy to use the image search facilities on popular search engines: enter in a product

3. How to prioritise IP rights

description and see what these bring back, to help determine whether your design concept is already in use. If you are selling through particular outlets, their catalogues can also be examined for similar goods.



If you do establish that you need access to someone else's IP (a patent, design or copyright material) in order to trade, this is not necessarily a problem. As an example, you may have a patentable improvement to a product, but because your invention still falls within the scope of an earlier, 'core' patent, you may need a licence from its owner in order to have freedom to practice it. The upside of this situation is that the owner of the core patent would need a licence from you to use your improvement — and this is where a lot of industrial collaborations begin.

Which IP rights are easiest to exploit on their own?

Since it is a property right, IP can be bought and sold independently of any other activity. Also, many highly profitable companies make widespread use of licensing to earn money with their IP.

“IP forms the basis for business models like franchising, and can generate added value as an asset in its own right”

The most widely licensed type of IP right is copyright, as demonstrated by the many movies, television and games that have led to spin-off product ranges. The copyright in a single work, like a book, can form the basis for a wide range of derivatives that are not developed by the original author but produced with their permission: think of the Harry Potter series, for example. This is generally done either by licensing the IP rights, or sometimes by dividing them up and selling them.

1.

Copyright material is often combined with brand protection in the form of trade marks, as they form such an important component in product and service marketing. This is a combination that also forms the basis for many franchise operations, where the brand is central to the customer promise (and needs to be well protected in all franchise territories). Here, copyright covers the core of the operation — the manuals, processes, procedures, and sometimes the actual content.

2.

Brands are also suitable for exploitation on their own, with the usual course of action being to license them. The same is true of some designs, especially those that achieve 'iconic' status. The beauty of any licence is that the rights it confers can easily be split according to territory, purpose and/or market sector, and can also be time limited and made subject to minimum payment and performance criteria — so that you can provide many people with their own little piece of exclusivity, and profit from the whole.

3.

Whilst copyright is most frequently traded, and trade marks are regularly licensed, patents are arguably the most profitable rights of all, as portfolios can change hands for millions or even billions of dollars. **Patents** that are 'standards-essential', meaning that companies have to use them in order to offer certain classes of goods, may be placed in 'pools' to make them easier to monetise and to help companies access them.



However, this value is quite polarised. In a recent study of US Fortune 500 companies, it was estimated that only 5% of the patents they owned actually contributed 'strategic value'. If you intend to make money from your patents by selling or licensing them, you need to be very sure that you know where the market for them lies.

In summary, even if your primary concern is simply to protect your business model, it is worthwhile having one eye on the wider opportunity to generate value from your IP in its own right.

How long do rights take to obtain?

Some types of IP take effect immediately, such as copyright (which exists as soon as you record your creation). For those that don't, the following charts provide an overview of the steps that you need to go through in order to obtain protection.

Figure 2 illustrates the timescale for a standard domestic patent application:

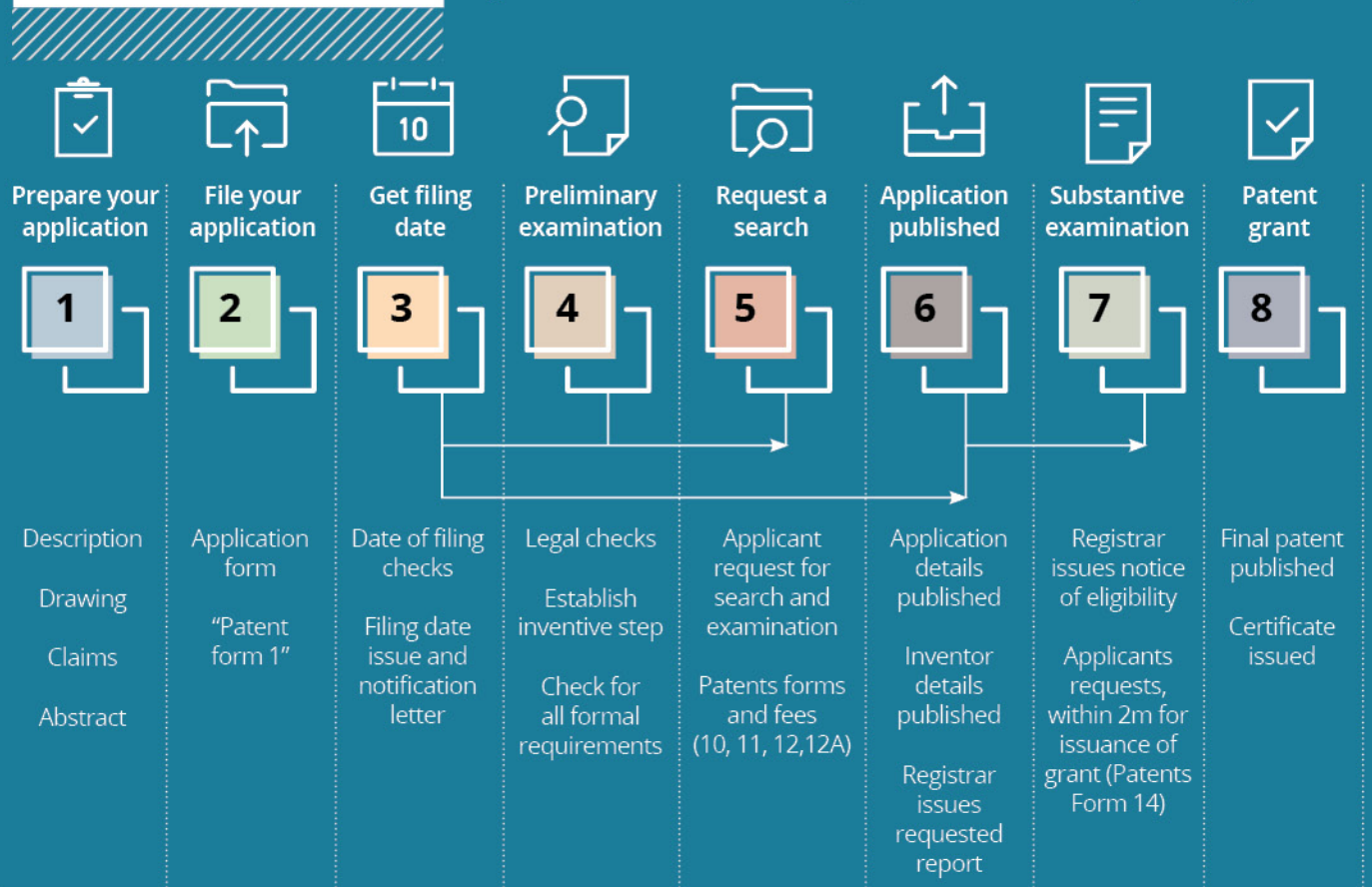


Figure 2. Overview of the patenting process in Singapore

3. How to prioritise IP rights

It typically takes around two years from the date of application to get to the point of substantive examination. You can request an accelerated search and examination in many countries – though you may find it advantageous to have time to refine, develop and market your invention before you incur the largest patenting costs. However, it's useful to bear in mind that once your application is filed and you have a priority date, you can still trade as 'patent pending' until it is granted, finally refused, or abandoned by you.

Applying for a trade mark is a quicker and more straightforward process, as *Figure 3* indicates:

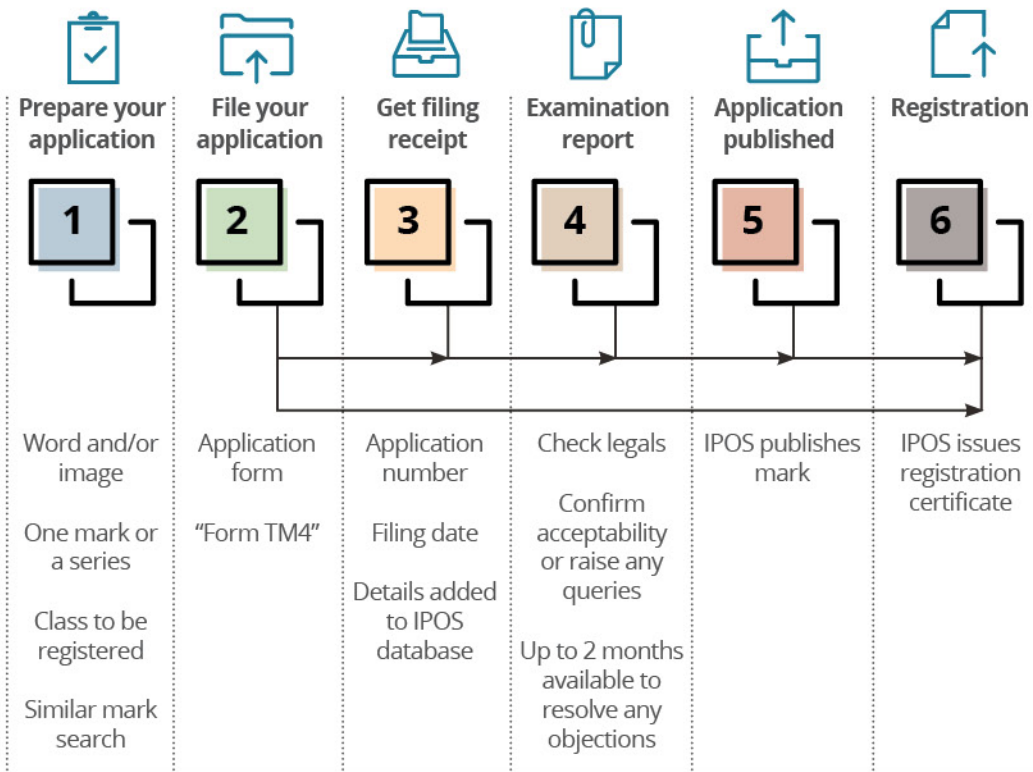


Figure 3. Overview of the trade mark registration process in Singapore

Registering a design is also a much quicker and less complicated process than patenting because designs are not subjected to the same level of detailed scrutiny, as *Figure 4* indicates. The speed of registration is often beneficial and is made possible by the fact that publication does not happen until the final stage.

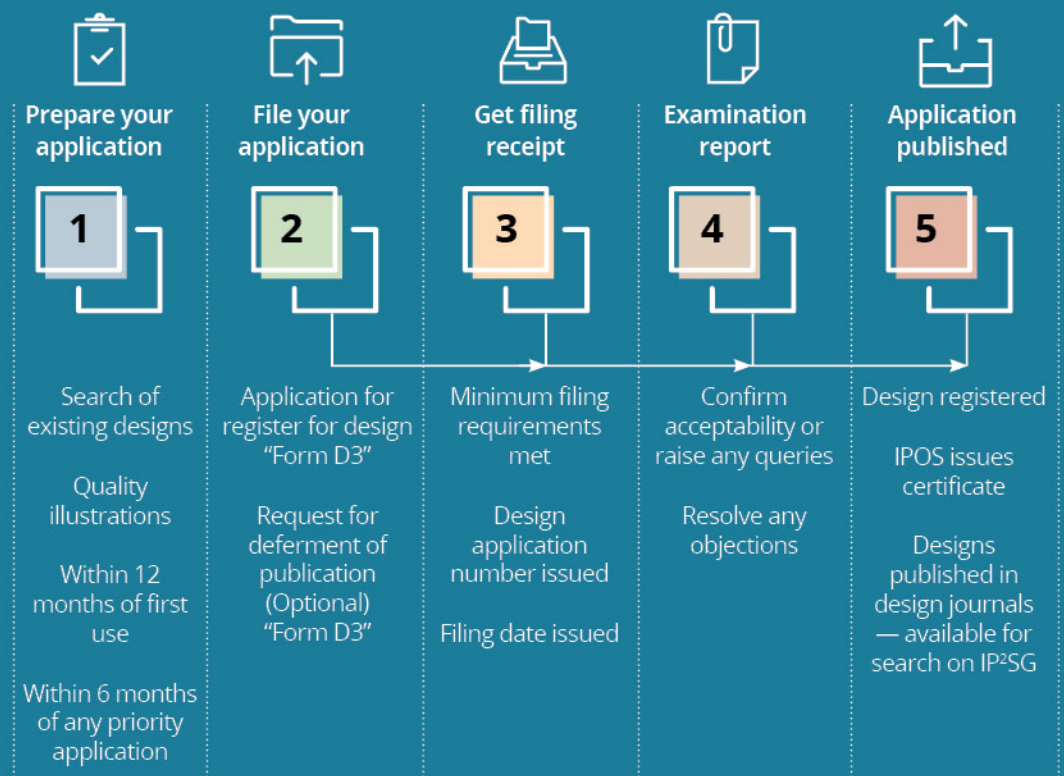


Figure 4. Overview of the design registration process in Singapore

When is secrecy most important?

To qualify for certain types of IP protection, it's essential to keep things secret until you are ready to apply. It's also important to ensure you do things in the right order. Here are a few key points that need to be borne in mind.

Secrecy is, in itself, a highly effective form of protection. However, if it will be obvious how your invention works as soon as your product is launched, maintaining confidentiality is likely to be impossible. In such cases, a patent or a design is a much stronger option. Internationally, utility models and their equivalents may also be considered.



It's a fundamental principle of patenting that your idea has to be new and inventive. If something you are trying to patent has already been made public, in any form that an examiner might identify, this form of protection will no longer be available to you.

“If you think you may wish to patent an invention, you must keep it secret until you apply”

It may then be too late to try to keep your invention a secret either, once your application has been published after 18 months. The same rule applies to designs, which (in Singapore) cannot have already been introduced to the market if you want to protect them (although there are some exceptions regarding disclosure).

It is important to ensure that any patent application follows the statutory order and sticks to the specified deadlines. For example, you have a maximum of one year from your initial application to submit any remaining details and to determine whether you wish to apply for protection internationally.

3. How to prioritise IP rights

Failure to attend to the first deadline will result in the loss of your priority date, which means that companies subsequently introducing similar inventions may have an opportunity to patent ahead of you. Failure to decide the second could leave you unable to exploit the most profitable markets for your invention.

It's also vital to renew IP rights when necessary. Depending on the type of rights you own, these are normally due every 1, 5 or 10 years. Many companies choose to make use of specialist renewal services, to make sure they don't miss a deadline.

How much should I budget for IP protection?

The costs associated with obtaining IP protection come into main forms: official fees and charges from professional advisers. To make your protection strategy effective, you may need to make additional investments in other areas, such as documentation.

“While official fees charged by national registries are modest, you will also need to budget for professional advice”

Whenever an official application is required, it is generally wise to seek professional advice to make sure the rights that you obtain are commercially useful. This is particularly important with patenting: the language used in drafting applications is specialist, and it is very difficult for a novice to draft wording that would be legally enforceable if granted, or indeed of the correct scope to provide worthwhile protection.

There will also be a need for further advice during the patenting process to deal with examiner feedback. It is often easier to obtain a granted patent with claims that end up being relatively narrow and highly specialised, but its commercial utility, and thus its ultimate value, can be rather limited.

Trade marks and designs are somewhat more straightforward, but still, involve a significant amount of 'homework' if you are to ensure that any rights you seek do not infringe those of other people and capture what is commercially important to you (and are not too narrow in scope).



1.

The official fees that need to be paid at the time of application are quite modest — a few hundred dollars at most — although once rights are registered or granted, the costs of renewal may increase over time. The **biggest area of cost relates to professional advice, such as patent drafting and prosecution services, which in the case of a patent may cost 10x or 20x the official fees. You may also need to budget for search costs, translations (for example, into Chinese or Japanese) and for dealing with written opinions issued by examiners.**



Take action
against
infringers

If you have to defend your rights because someone else has challenged them, or take action against infringers, this will involve substantial additional expense, though if you are successful, you generally (but not always!) have an opportunity to recover your costs.

Even if you do not need to seek formal registered rights, an effective IP strategy is unlikely to be 'zero cost'. It may be necessary to take infringers to court in order to protect your copyright; if you are relying on trade secrecy, it may be necessary to implement extra safeguards (legal, electronic and/or physical) to keep your documentation safe.

It may be wise to consider use of IP insurance to cover future enforcement costs, especially if you know your technology operates in a contentious area. Indeed, having IP insurance in place might be enough of a deterrent for some infringers to stop their activity if they know you are in a position to make a credible threat to sue them.



SUMMARY

The following list, which summarises information contained in this chapter, may assist you in determining which of the four main IP pathways you wish to prioritise.

TRADE MARKS

Can last indefinitely if renewed

Only apply in the territories/regions they are registered

Relatively quick to obtain, if available

Give you the upper hand in a dispute

PATENTS

Normally limited to 20 years maximum

Only apply in the territories/regions they are registered

Slow to obtain, but priority established at initial application

Give you rights to stop infringers, even if unaware of you

DESIGNS

Normally limited to 15 years maximum

Only apply in the territories/regions they are registered

Quick but registered before publication, so less clear-cut

Give you the upper hand in a dispute

COPYRIGHT

Lasts for 25, 50 or 70 years, depending on the type of asset

Automatic and observed in most countries

Instant (in some countries, voluntary registration helpful)

You will need to prove that copying has occurred



How you obtain IP rights



04

How do I register for IP?

How do I register a trade mark?

You can protect your brand, and provide a 'hook' for a lot of associated intangible assets, by registering a trade mark in the countries where you trade now, or intend to do business in the future.

You'll first need to decide which mark or marks you want to protect, and check to determine whether they are likely to be available by using the IPOS search tools and other databases like ASEAN TMview. Each application is published before it is registered, so the holders of any potentially similar rights will have an opportunity to object. This makes it very important to anticipate any difficulties by ensuring that the mark you want to protect is not already in use for similar purposes by anyone else in the territories in which you want to trade.

“When making a trade mark application, it's important to make sure that you pick the right classes”

When you apply, you have to choose one or more 'classes' that set out the use you intend to make of the mark: there are 45 from which to make your selection (34 for goods and 11 for services). These are called Nice classes, after the location where the agreement was signed that first determined them. You also provide your own description, based on a detailed listing of possible uses. It's important to ensure that both the classes and the descriptions are broad enough; when applying, many companies try to anticipate what they may need over a five-year period.

As part of the registration process, your application will also be checked to ensure it conforms with internationally accepted trade marking principles. For example, you can't protect something that is not distinctive, is purely descriptive, is likely to mislead customers, or already has special protection.



If you want to grow your business, sooner or later you will need international trade mark protection. In some cases you can use one application to apply for rights across a number of countries at once (such as the EU Trade Mark); for Asian markets such as China, Thailand, Malaysia and Indonesia, it is generally easiest to use your national registration as the basis for an application using the Madrid Protocol.

The international guide in this series contains further details on how you can do this.

How do I get my patent granted?

Your patent filing goes through a search, publication and examination process before it can grant and become enforceable. The length of time this takes, and how much it costs, can vary widely depending on where you apply, whether you opt to accelerate any parts of the process, and what objections your application encounters along the way.

4. How you obtain IP rights

“Examiners search a range of sources to see whether an application is novel and passes the inventiveness test”

1.

Your filing consists of four main elements. When you first submit it, you'll need to provide a written description of your invention with drawings that illustrate how it works. Within 12 months you must provide an abstract (a 150-word summary) and firm up your claims: this is a series of precise legal statements in single sentences that set out your distinctive technical features.

The specification you provide must contain enough information to allow a skilled person to repeat the invention (this is known as “sufficiency” or “enabling disclosure”). However, there is a fine line to be drawn between sufficiency and giving more away than is necessary — another reason why expert professional advice is important.

Initial checks are conducted for eligibility, but in the first instance are directed at making sure you have provided the necessary information in the right format to initiate the process.



Extend patent protection to more market

Since a patent has limited utility and value when it only covers a single market, it is very likely you'll need to extend your protection. Unlike trade marks, this has to be done during the original filing process, specifically within a year of first filing. Many companies use the Patent Co-operation Treaty (PCT) route to streamline this process, rather than doing multiple separate applications, and this has the advantage that you get more time to decide which countries you most want to enter. More information on international filing is contained in the accompanying 'Going Global' guide.

2.

Before publication, you'll need to request a search and examination. At this point some checks will be conducted to confirm that your subject matter qualifies: while rules vary a little between territories, you generally cannot patent certain things. Examples include mathematical discoveries, theories and methods; ways of performing a mental act, playing a game or doing business; and methods of medical treatment or diagnosis.

3.

The main output of this stage is a search report telling you what previous inventions or ‘prior art’ has been found that the examiner considers relevant. If there is strong evidence that your filing is not new or inventive, you may need to reconsider the application: otherwise, you will normally proceed to publication. Until this point (up to 18 months), the contents of your application will have remained secret.

4.

The final stage is substantive examination, which is the point at which the detailed wording of the patent gets agreed between you and the examiner. This determines the scope of protection to be granted and how commercially useful it will ultimately be.

How do I register my design?

“It’s important to search carefully before filing a design and to ensure you provide appropriate design representations”

A design generally protects the overall appearance of a physical object, but can also be used to protect virtual designs, such as graphical user interfaces (GUIs). It is relatively quick to obtain (usually within three or four months in Singapore) because applications are checked for conformity, but not for originality — that part is left to the market to determine.

The first point is to ensure that the design really is yours. If you have developed it internally, this shouldn’t be a problem — unless it has been commissioned specially by someone else, in which case the commissioner will own the design.

When you submit your design application, assuming it passes the formalities, it will be registered, with publication occurring afterwards. This will be the first time the market finds out about it unless you have launched it as a product in the meantime. As there has not been any independent scrutiny prior to this point, it is quite common for a design to be challenged after registration.

This is one reason designs are not regarded as offering as much protection as patents; however, given that the market life of a design can be short-lived, the approach is proportionate — and you can still conduct market and database searches to ensure you are not inadvertently copying a competitor.

Designs also have to be registered in detailed descriptive categories, called Locarno classifications. However, unlike trade mark applications (but like patents), these are determined by the office where they are registered, so you don’t have to worry about these as an applicant.



Since the protection you get from a registered design is chiefly governed by the illustrations you provide, it makes sense to take special care with these. They can be submitted as a series of views from different angles, but must all conform to certain rules (for example, they should show the whole object against a plain background and not include any extraneous items or constrain the design in terms of size). While you can use photographs or CAD drawings, line drawings are generally considered preferable because they are less restrictive (and they are a requirement when you apply for the equivalent protection in the US, called a design patent).

4. How you obtain IP rights

What should I do to protect my copyright?

Even though copyright is automatic, it still needs to be well managed in order to maintain its value. This involves ensuring that no ownership issues arise; that you put others on notice; and that you are in a position to enforce your rights should it be necessary.

1.

The first step is to ensure that the copyright belongs to you in the first place. Generally, if you have developed the materials yourself, they will be yours (with the exception, in Singapore, of photographs and images of people that they have commissioned from you). If there is any doubt over the ownership position, this can be addressed by using an assignment form.

2.

The next is to ensure that you keep good records throughout your creative process, so that you can demonstrate that no copying has taken place, should your rights ever be challenged. If someone else copies you, they won't have this proof. Companies who believe their software code may be at risk sometimes intentionally 'plant' non-functioning source code to make it obvious when copying has taken place.

Copyright protection exists as a matter of law, regardless of whether you put people on notice of it. However, it's good practice to assert your rights — mainly to remove any excuse an infringer might have that it was not apparent that your materials were subject to copyright protection, but also to ensure that if someone needs a licence, they know who to contact. This is covered in the following chapter.

“It's a good idea to assert your copyright to put others on notice of the fact that you own it”



Voluntary registers to provide confirmation of ownership

In Singapore, there is no copyright registration service, but a number of other countries (including the US, India, Thailand, Indonesia and Malaysia) do operate voluntary registers intended to provide confirmation of ownership and make rights more readily enforceable. If these markets are important to you and your business model is reliant on copyright, they are worth investigating.

If you're not concerned about copying, but still want to control the content of your work (and/or make sure it is attributed to you), it's possible to use a Creative Commons licence instead of claiming full copyright protection. See the next chapter of this guide for further information.

Keeping your trade secrets

If you decide that your best policy is simply to keep all sensitive information within the company, there are some specific steps you can take to improve its security and reduce the risks of accidental or deliberate disclosure.

Confidential information is only protectable to the extent that it consists of discrete, identifiable material that is not generally known. The laws that protect it in Singapore are directed not at copying or 'leaking', but rather at the unauthorised use of this information. These include the Computer Misuse Act, which defines it as an offence if a person obtains unauthorised access to an employer's computers to retrieve or download information, which would include confidential trade secrets. While copyright law doesn't prevent any reader of a book using what they have learned from it, action can be taken against a breach of confidence.

The major risks of disclosure come from staff, suppliers and development partners, all of which can lead to your secret ending up in the hands of a competitor. Occasionally customers may also have access to confidential information, but not usually the trade secret itself (if they do, it's probably not a secret). There are four things you can do to minimise the risk of problems from these other directions.

“ Make sure secret information is clearly marked and securely stored; access should be restricted to those who 'need to know' ”

1.	The first is to restrict access to the secret so that the minimum number of people know it. If the secret is held on paper, it should be physically secure; if it is held electronically, it should be protected from general access. At the same time, it should not just be held in the head of a single person, as that also represents a commercial risk.
2.	The second is to educate staff so that they are clear of their responsibilities, know what they can and can't discuss outside the work environment, and understand that there are some things they cannot take with them if they leave. All these should also be set out in employment contracts and/or employee handbooks.
3.	The third is to label the information as being secret so that no recipient (internal or external to the company) can misunderstand its status.
4.	The fourth is to be specific about what any recipient is allowed to do with the secret if they need to have access to it. This is usually done by signing a non-disclosure agreement (or NDA). Within this document, it is important that the purpose of the prospective collaboration, supply arrangement or partnership is clearly stated.
5.	A final, more extreme step is to engineer production processes and supply chains in such a way that no-one ever has access to the whole of the trade secret. This can provide a way to protect recipe ingredients and secret formulations.

4. How you obtain IP rights

While none of these steps will stop a rogue employee intent on disclosing the company's trade secrets, they will enable you to take steps to minimise the damage this might cause. Another guide in this series ('Managing Your Most Valuable Assets') has further useful information on employment contract matters and NDAs.



SUMMARY

The following list, which summarises information contained in this chapter, may assist you in determining which of the four main IP pathways you wish to prioritise.

<input type="checkbox"/> What's the key original aspect of my creation or invention that I want to protect?	<input type="checkbox"/> Am I confident that I own it?	<input type="checkbox"/> Is it an option for me to simply keep it secret?	<input type="checkbox"/> Which form(s) of IP protection are best suited to my needs and budgets?
<input type="checkbox"/> Does anyone already hold conflicting or overlapping IP rights?	<input type="checkbox"/> Where and when do I need this protection to be in force?	<input type="checkbox"/> Can I afford to see my application through to completion?	<input type="checkbox"/> Assuming I obtain these rights, how will I monitor and tackle infringers?
<input type="checkbox"/> Have I sought professional advice where needed?			



How you protect & enforce IP rights?



05

*Should I tell people
what IP I own?*

5. How you protect and enforce IP rights

Should I tell people what IP I own?

The ownership of registered rights is a matter of public record, so with a bit of time and effort, it's possible for anyone to find out about the IP you own. However, it's often in your interests to tell the market yourself — both to safeguard your rights and to enhance your product and service marketing.

“It's generally good practice to tell people about the IP you own, and should deliver a marketing benefit”

From a protective standpoint, it is usually preferable to put other people on notice of the rights that you own. This makes it more difficult for anyone who does infringe your IP to say that they were unaware that the rights were protected, or that you owned them. You'll find suggestions on how to do this in the following section.

The main advantage of telling people about your IP is a marketing one. It shows that you have developed assets that you believe to be important and unique, and that there is a solid basis underpinning your market differentiation. This applies to all types of IP right — patents, trademarks, designs and copyright. It's particularly important if you are seeking investment, or want to interest other organisations in licensing.



There is a small risk associated with telling people about a patent that is yet to grant. If it is in the process of publication, competitors may be alerted to it and prompted to challenge it. However, they can do this anyway if they use monitoring services — so you will not be telling them anything they cannot deduce for themselves.



Recipe,
formula,
process,
procedure
is your
trade secret

You can also tell people that a recipe, formula, process or procedure your business owns is a trade secret, again to reinforce the point that you have invested in creating assets that improve your offering. Naturally, however, you won't want to go into any detail about how that trade secret works to deliver competitive advantage.

It's important to know what your competitors own too. However, do bear in mind that ownership records are not always regularly updated with information on assignments and transfers — and other businesses may 'license in' rights that are owned by someone else. Also, certain companies planning to enforce rights that they own may prefer to keep their ownership interest a secret until they are ready to sue. If you do get involved in any dispute, it will be important to know whom you are really dealing with.

How do I put people on notice of my IP?

“The ® and © symbols provide a convenient and well-recognised way to signal the existence of your IP rights”

There are well-established ways of telling people about the IP you own. Here, we summarise the simplest ways to get the message across.

The official designation that is used to indicate the presence of a registered trade mark is a ‘®’ symbol. However, this can only be used for marks that are actually registered (it is an offence to use the symbol if they are not), so until such time as you have obtained this protection in a market within which you trade, you should use ‘TM’ instead. Even if you have a registered trade mark in Singapore, you should consider continuing to use TM rather than ® if you are expecting your goods and services to be exported to countries where you do not have trade mark protection.

Some companies who operate in many different international markets but do not have registered rights in all of them may elect to use TM as a universal designator. This does not mean their rights are registered, and thus formally protected, but it is unwise to assume that they are not.

The usual way to put others on notice of copyright materials is to use the © symbol with the owner name, year of creation and the phrase ‘all rights reserved’. However, if you don’t want to reserve all rights (for example, if you want to invite people to copy a particular item of content as much as possible, as long as they attribute its source), you might like to consider offering it under a Creative Commons licence. These are available in several different varieties: they don’t replace copyright law, but they allow you to waive several of the key provisions it includes, as you wish.

There are no specific symbols for patents and designs, so these are usually referred to on the goods themselves and on promotional materials and websites (as ‘virtual marking’, which is now acknowledged in many territories) that describe them. In the US, it is quite common to find a reference to a granted ‘utility patent’ or ‘design patent’ (as they are officially known) stamped onto the product itself (using the word ‘patent’ or the abbreviation ‘pat.’ along with its number), so that anyone who sees it knows that there may be consequences if they copy it. There is a practical benefit to marking: giving constructive notice that an article is patented preserves your ability to claim damages.

While you are waiting for a patent application to grant, you can use the term ‘patent pending’ to put other people on notice about the fact that you are expecting to be able to pursue any infringers. Until the patent is published, you have the additional benefit that no one else will be able to find out what your patent application actually covers.

5. How you protect and enforce IP rights



How do I find out if someone else is infringing my IP?

It is often said that imitation is the sincerest form of flattery. This applies to IP as well — if you're being copied, it means that someone else thinks you have a good idea and that they can make money from it too. However, you'll need to decide what to do about it promptly.

“If someone is copying you, don't ignore it — you will need to take action to safeguard your rights for the longer term”

There are various ways in which you might find out that there is a potential infringement. In the case of brands, your attention may be drawn to a company that starts using a similar name or logo for competing products and services, or you may be informed about a trade mark application for a brand you consider uncomfortably similar.

With copyright materials, your web searches of distinctive phrases or images may highlight cases where your materials have been 'lifted' and used without permission. Excerpts of your music might be 'sampled' and used in other people's songs. Alternatively, similar characters to those you have created, or storylines that resemble ones you have constructed, start to appear in contexts that you don't control.

Infringement of a design will normally be detected because you find out that a very similar looking product is being offered for sale — possibly alongside your own, and maybe at a lower cost.

While design infringement can be identified from external appearance alone, patents are more complicated: depending on whether your protection involves a thing, a machine, a material or a method, you may need to obtain and dismantle or 'reverse engineer' the competing item to work out whether it does, in fact, infringe or not. You might even need to apply for a court order (such as an 'Anton Piller' order) to search and seize evidence of an infringing act before you can determine this.

One important point: in infringement actions, time is of the essence. In other words, if you detect that someone else is copying you, and you do nothing about it, your perceived failure to act may influence your chances of obtaining a favourable judgement in the future. Worse still, it may provide tacit permission for the infringer to continue. So when you do have good grounds for suspecting infringement is going on, it's best to make a clear decision whether or not to act and stick to it.



You'll probably have greater confidence about taking action if you know you have the financial resources (or the IP insurance cover) to pursue a case through to a conclusion.

How do I go about enforcing my rights?

If you establish that another company is likely to be infringing your IP, you'll need to enlist the help of an IP lawyer in order to reach a satisfactory resolution. What 'satisfactory' means will depend on the circumstances, and on your commercial objectives.

Sometimes, your main concern may be financial — that another business is 'freeloading' on the back of your investment, and making money at your expense. On other occasions, it may be a question of control — that a company has got hold of your invention through illicit means. Whichever it is, you will normally want to bring about a speedy resolution and to determine whether the matter can be addressed without having to go to court, when costs escalate substantially (though a credible threat to sue is often needed, in order to bring an infringer to the negotiating table).

“When considering taking legal action, make sure you have the resources to see it through”

1.

The usual sequence of events is that a formal letter will be sent to the offending company with a description of the infringement that you believe to have occurred and the corresponding rights that you own. (It is important to take legal advice on the wording of such a letter, to avoid any claim of groundless threats and future damages). Generally, this will either meet with an admission, a counter-assertion or with no response at all.

2.

Any form of admission usually means that the matter can be resolved amicably, which could involve licensing your IP to the offending party so that their activities can be turned into an additional income stream. Indeed, this is where you may end up, even if you go to court over the matter.

3.

The more complicated cases arise when an infringer asserts that your rights are not valid and seeks to have them overturned. The processes for dealing with disputes of this nature vary by territory but are expensive and time-consuming as well as risky for both parties.

As well as access to a good lawyer, it helps to take out insurance to cover such eventualities, especially where patents are involved, though policies of this nature are not cheap. The fact that you have IP insurance in place might be helpful in motivating an infringing party to come to the negotiating table to avoid court.



Both parties must present evidence in court on infringement

It is important to note that if such a case goes to court, both parties may need to present all the evidence that they have relating to the infringement. This will highlight any delays you have taken in determining what action to take, which can increase your risk — a point made in the previous section.

5. How you protect and enforce IP rights



What should I do if I am challenged?

The first you will know about a potential infringement of someone else's IP will probably be when a letter lands through your door. The main thing to do is not to ignore it – but not to panic either!

“Don't ignore any notices you receive that indicate you may be infringing”

Infringement is, at least in part, a matter of judgement. Just because you have been accused of infringing someone else's IP, it is not necessarily the case that you have (some companies operate a business model whereby they threaten legal action in order to persuade you to buy a licence: but you may be able to demonstrate that what you do does not infringe the rights in question).

Moreover, if you believe there is no infringement of IP, or in the case of patents that the so-called 'infringed patent' is invalid, for example, you can counter-claim and apply for damages, to be compensated as an aggrieved person for any losses you have suffered as a result of the threats.

As in the case of pursuing an infringer, you will need an IP lawyer with litigation experience to guide you through the rest of the process. Careful study of the rights you are alleged to have infringed will be needed, and management time will be needed to formulate responses.



What you choose to do will depend on the facts of the case, as you see them. If for example, you identify that someone within your organisation has in fact copied another business's software code or 'borrowed' content without permission, internal action will be needed to remedy the issue and/or to obtain a licence to continue using it.

Generally, it is considered best to avoid court action unless you are advised that your case (and possibly your counter-claim) is very strong, though you may need to be prepared for that eventuality in order to negotiate an equitable solution.

Where does breach of confidence law come in?

“You’ll need to show that the offender knew, or should have known, that your secret was confidential”

If you have to take action against someone for unauthorised use of a trade secret, you will generally be challenging them using the law on breach of confidence. Three main points will need to be demonstrated: that the information involved was confidential, that it was clear that the circumstances under which the information was imparted were confidential, and that unauthorised use was made of it.

- 1.** For the first of these, it needs to be clear that a reasonable person would have regarded the information that has been disclosed and used as being a secret. This will be demonstrated by the way it was labelled and set out – being clearly watermarked ‘Confidential’ would indicate this – but the information also needs to be something that is not generally known. Put simply, there is nothing to be gained by pretending something is a secret when everyone else in the industry is aware of it.
- 2.** The second point relates to the way in which the information has been obtained. Historical cases indicate that dinner party conversations do not impart a duty of confidentiality, whereas information shared during a business meeting to discuss a potential collaboration does. It is always helpful to use NDAs (see previous chapter) before sharing sensitive information, but even if there is no express agreement to keep a secret, it can be clear from the circumstances of the disclosure that there is an implied agreement to treat information as confidential.
- 3.** The third point is that the use of the information was unauthorised. It must be clear that no permission was given to the other party to use the secret for the particular purpose that has proved to be problematic.





This may be quite specific. One scenario might be, for example, that a contract manufacturer has permission to use a formula in your own branded products, but not for its own purposes. Provided this has been clearly communicated, agreed and you have the necessary proof, you would be able to take action to prevent this, and potentially claim damages and lost profits.

5. How you protect and enforce IP rights



SUMMARY

The following list provides an overview of some of the main points covered in this section, which you may find useful for reference.

 Do ...		 Don't ...	
<input type="checkbox"/> ...put people on notice of your IP protection once it is registered/granted		<input type="checkbox"/> ...disclose details of a patent prior to publication except under NDA	
<input type="checkbox"/> ...use 'patent pending' to refer to applications after filing and until grant		<input type="checkbox"/> ...claim you have legal protection when (or where) you don't	
<input type="checkbox"/> ...mark all secret or sensitive information 'confidential' and restrict access to it		<input type="checkbox"/> ...tell anyone how your trade secret works unless absolutely necessary - and then use an NDA	
<input type="checkbox"/> ...actively monitor your markets for infringement		<input type="checkbox"/> ...delay when you detect infringement, as this may affect your remedies	
<input type="checkbox"/> ...consider how you will fund any IP disputes - you may want to consider taking out insurance		<input type="checkbox"/> ...ignore an infringement warning letter (or respond to it without taking advice)	



Where to go for help?

06

GETTING RIGHTS GRANTED

IPOS : www.ipos.gov.sg/resources

IP ValueLab Directory :
www.ipvaluelab.com.sg/news-events

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

IP ValueLab : www.ipvaluelab.com.sg

GETTING IP TRAINING

- Executive programmes
- Certifications
- Undergraduate and postgraduate courses
- Regional training

IP Academy : www.ipacademy.com.sg

GETTING PATENTS RIGHT

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

IPOS International : www.iposinternational.com

DEALING WITH DISPUTES

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



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