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## November Newsletter

See what is the next big thing for IP?

Here is a peek at how the current economic and financial worries affecting much of the world are going to impact on the IP market place. Nigel Page, the magazine's finance editor, has put together a great cover story on the subject and, perhaps surprisingly for some (though not if you are a regular reader of this blog), the consensus among the financiers and intermediaries that he spoke to is that this could be a wonderful opportunity.

Anyway, as part of the article, Nigel asked a number of players to write 300 to 400 words on what they think will happen over the next couple of years. One of those who provided a contribution was Alexander Wurzer, the Director of the Institute for Intellectual Property Management, Steinbeis-University, Berlin, and also the Managing Director of Patev, a company that works closely with a number of European businesses on IP commercialisation. Many of you will also recognize him as the inspiration behind the suggestion for the development of an international standard for patent valuation.

In one section of his submission for the article, Wurzer says the following:

In Germany a far reaching revision of the Commercial Code is under consideration. It is expected that in the future there will be a requirement to include patents in the balance sheet. This requirement to capitalize will provide a more transparent picture of a company's situation for investors and capital providers. This is a positive signal for capital market communication in times where there's a demand for capital but a high risk aversion on behalf of investors. At the same time, the new requirements will increase the pressure on companies to capitalize those assets. Improved evaluation principles, transparent risk analysis and funding requirements will increase utilization of IP-based financing.

Now wouldn't that be something? Although there have been moves over recent times to put acquired IP, including patents, on balance sheets, the results seem to have been patchy. Going a step further and requiring all patents to be properly accounted for may well provide much greater enlightenment. The issue, of course, is how you undertake the necessary valuations – which may be one reason why Wurzer and others are so keen on an international standard.

Should the Germans decide to go ahead with this and then pull it off, the effects will be felt far beyond the country's borders. If you can get patents as a separate item on balance sheets, then you have a ready-made and easy-to-identify asset class, with all that implies for boardrooms, investors, intermediaries and financiers. If Germany can do it, people will ask, why won't other major economies require it as well? And the answer will be that they will. When that happens, it really will be lift-off.

Joff Wild

IAM Magazine

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Getting into the China Market?

If you are in business and you have a brand to protect and assuming that you are eyeing to launch your product or services in that great market place called China, then you should get proper advice before you even step into it. China is

a big place with a population of about 1.3 billion people, and everybody wants to get a piece of the cake there. However, although it has a common written language, there are many dialects spoken, and words may sound very differently in different parts of the country. As we are all aware of, bringing a brand into China might be the easy part, but a proper survey should be conducted first to ascertain whether the brand name when translated into the local dialects will sound proper, or even worse, sound offensive to the locals.

Protecting your trademarks in China will also be a big hassle, if you do not plan properly, as it is a big country, made up of various states, each having their own peculiarities. As the saying goes, 'when in Rome, do as the Romans do' is most apt as far as seeking proper protection for your intellectual properties goes. If you are from an English speaking country and you need to file your trade names in China, you will need to first get it translated into the Mandarin language. Then, you will need to do a survey to see whether it sounds right or not, and not only that, you must ensure that it sounds proper for the type of product that you are offering. Often, you will need to engage different agents to do the survey and in different counties. But how do you find the proper people, preferably a local, to do it? Getting the wrong agent will cost you a fortune, and worst off, you might only find out much later, if you do find out, that you had been ill inform!

In order to avert such disasters before you step into China, it would be advisable to engage an agent that has a vast experience doing business in China. And not any kind of business at that, as it got to be in the line of language translation and intellectual property. Pintas-IP is an intellectual property company based in Asia and having vast experience doing business in China. It can offer you language translation, survey, and intellectual property protection in China working from an office there. It has highly accredited personals and agents there to help in the various aspects of launching your brand name in China, and it will also advise you on other protective measures to make in that market. Pintas-IP has been in China for over seven years, so it knows what can and what cannot be done there. If you are just taking your first step, you will be in good hands.

Call Pintas-IP Consulting at +603-2148 5050 or via email to <mailto:pintas.my@pintas-ip.com> for a consultation now.

### Scratching your backyard to unearth your hidden assets

In good times, people don't really want to bother looking at all their available assets, especially those that are put aside some where. They would rather seek more sales. But what happens when they face bad times, like what is happening now? Well, for some lucky people who had put aside some of their intangible assets like patents, music and trademarks during the time when the sun was shining, they are beginning to explore to sell them for a fair sum. According to a British law firm Field Fisher Waterhouse, more and more companies are coming out to place for sale their intellectual properties. In Asia, the trend is similar, with companies asking their patent lawyers to chase after those pending intellectual property applications that they had some how forgotten. The idea is to monetize them and bring in cash in these difficult times.

Indeed, intellectual properties has suddenly become that pot of gold to save the day. And not only that, it seems that there is also more cases being brought to the court, like disputes on intellectual property infringements. Companies are taking a closer look at their intangible assets hoping to find errant parties that had infringed on their rights and to profit from it by suing the offending party. Obviously, it is those companies that had allotted some of their time in the past to build up their intellectual portfolios that would benefit, and for those who had paid no attention to such matters, to sorely regret for their inaction.

However, it is never too late to shore up your intangible asset portfolios. The trick is often to look at areas that you have not paid attention to before. Sometime, little things can turn into gold, if you can just put aside your busy schedules and spend some time pondering on it. Take for example your trade mark. For most people, a trademark is just a mark and nothing more. But do you know that trademarks can become a great asset, even more so than a patent! Of course it will seldom happen unless you do something for it. And not just a slight plod, but good solid effort, like putting aside a budget and promote it. Better still, put in a great show, get some celebrity to promote it and associate it with. No body will remember a trademark, but most people will remember a celebrity, so associate it with the celebrity will make people remember it, for better or for worse!

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Chow: Patent R&D in biodiversity

MALAYSIA should patent its research and development in biodiversity so that foreign countries would not patent it as their own intellectual property.

Penang Local Government, Traffic Management and Environment Com-mittee chairman Chow Kon Yeow said it was important for the government to protect its rights on intellectual property and not let other countries claim it as theirs.

“Although intellectual property laws in Malaysia are in place and confirmed with international standard for IP protection needs, enforcement initiative by relevant government agencies is required to effectively protect both foreign and local investors’ intellectual property rights and interests,” he said when attending the 15th anniversary dinner of Intellect World widerecently.

Chow said he hoped Malaysia would be able to seal the Free Trade Agree-ment (FTA) with the United States with president elect Barack Obama as the new US president,

“This will encourage greater liberalisation of foreign investment be-tween US and Malaysia as well as the delivery of stronger growth, higher investments, better quality medicines, improved technological advance-ments and increased human resources employment into the country,” he said.

Chow said the US was focusing on intellectual property rights, pharmaceuticals and medical technology in the Asian region in view of the advert of the FTA between the two countries.

“Malaysia has indeed an uphill task to clamp down on pirated or counterfeit goods as well as to bring an end to piracy and counterfeiting activities that affect intellectual property rights in this region,” Chow said.

Themed ‘Blue Velvet Night’, the celebration was also aimed at commemorating the company’s recent accreditation of ISO 9001:2000 by the UK accreditation service (UKAS) and the Golden Bull Award 2008 under the Emerging Company category.

Present at the function were Intellect Group of Companies chief executive officer Solomon Lee, Association of Resource and Education of Autistic Children parents support group president Cheah Eng Hwa and Tanjung Lions Club president Datuk Yeoh Moh Chai.

By Ann Tan

<http://thestar.com.my/metro/story.asp?file=/2008/11/26/north/2504904&sec=north>