

Proposed Pan-ASEAN Trademark Application (“PATMA”) System

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The Rationale

Why are we doing this?

AEC Blueprint 2025: Key Elements

- ▶ A highly integrated and cohesive economy
- ▶ A competitive, innovative and dynamic ASEAN
 - ▶ Effective competition policy
 - ▶ Consumer protection
 - ▶ **Strengthening IPR cooperation (Section B3)**
 - ▶ Production-driven growth, innovation, R&D, technology commercialization
- ▶ Enhanced connectivity and sectoral cooperation
- ▶ A resilient, inclusive and people-oriented, people-centred ASEAN
- ▶ A global ASEAN

AEC Blueprint 2025: Strengthening IPR cooperation

- ▶ Strategic measures include:
 - ▶ Develop regional IP platforms and infrastructure
 - ▶ Develop new networks of integrated IP services for the region
 - ▶ Improve service delivery through connected online services and online filing systems
 - ▶ Adopt IT modernization to improve quality of service
 - ▶ Enhance regional mechanisms to promote asset creation and commercialisation, including the development of supporting schemes for MSMEs

AEC Blueprint 2025: Emphasis on MSMEs

- ▶ “In the next decade, ASEAN will also provide a new emphasis on the development and promotion of micro, small and medium enterprises (MSMEs) in its economic integration efforts.” (Page 1)
- ▶ “MSMEs are the backbone of the ASEAN economies ... A more structured and targeted MSME programme will be instituted to enhance MSME competitiveness, resilience and to enable greater benefits from ASEAN integration.” (Page 30)

Characteristics of MSMEs

- ▶ Small size
- ▶ Dependence on few employees
- ▶ Limited focus on products/relationships
- ▶ Limited reach
- ▶ Limited funds
- ▶ Simplicity

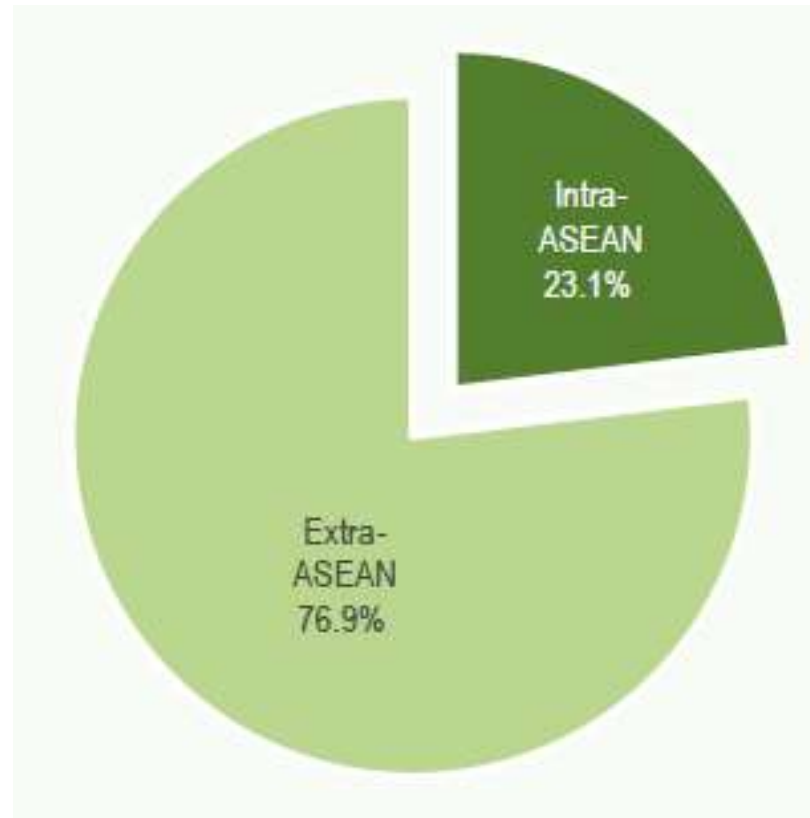
MSMEs in ASEAN

▶ ASEAN Strategic Action Plan for SME Development for 2016 to 2025

Country	% Share of Establishments	% Share of Employment
Brunei	98.2	58.0
Cambodia	99.8	72.9
Indonesia	99.9	97.2
Laos	99.9	81.4
Malaysia	97.3	57.4
Myanmar	99.6	n/a
Philippines	99.4	61.0
Singapore	99.8	68.0
Thailand	97.7	76.7
Vietnam	88.8	51.7

MSMEs in ASEAN

- ▶ AEC Chartbook 2017
 - ▶ Estimated GDP of all ASEAN states was in 2016 ≈ USD2.57 trillion



The Current Options

How does an ASEAN MSME secure TM protection in ASEAN?

Direct Application

- ▶ Simple concept
- ▶ Less simple considerations
 - ▶ Non-identical processes across AMSs
 - ▶ Managing paperwork
- ▶ Cost
 - ▶ AMS IPO official fees
 - ▶ Agent fees for filing
 - ▶ Agent fees for subsequent prosecution

Intra-ASEAN Direct TMA Filings*

(by ASEAN TM Holders)

Receiving Country	Year			
	2015	2016	2017	2018
Philippines	1,037	1,082	1,251	1,219
Singapore	1,099	1,202	1,222	NA
Thailand	597	1,005	1,065	863

**Initially compiled data subject to further validation*

International Application

- ▶ Simple concept
- ▶ Less simple considerations
 - ▶ Home application
 - ▶ Central attack
 - ▶ Non-transparent certificate
- ▶ Cost
 - ▶ Home AMS IPO handling fee
 - ▶ WIPO basic fee
 - ▶ Designation fees
 - ▶ Agent fees for subsequent prosecution

Intra-ASEAN Madrid Protocol Applications

(WIPO Madrid Monitor: 01 February 2019)

Office of Origin	Total Applications	Designated ASEAN Countries									
		BN	KH	ID	LA	MY	MM	PH	SG	TH	VN
BN	2	-	-	2	-	-	-	1	1	1	1
KH	5	1	-	1	2	-	-	1	2	5	5
ID	33	6	5	-	1	-	-	9	16	6	8
LA	3	-	3	2	-	-	-	3	3	-	3
MY	-	-	-	-	-	-	-	-	-	-	-
MM	-	-	-	-	-	-	-	-	-	-	-
PH	232	19	32	13	12	-	-	-	125	20	75
SG	4,253	124	382	288	193	-	-	1,006	-	336	1,512
TH	126	7	53	33	49	-	-	39	42	-	68
VN	989	28	123	37	98	-	-	153	365	67	-
Total	5,643	185	598	376	355	-	-	1,212	554	435	1,672

- Total ASEAN Designations = 5,387
- Average ASEAN Designation per ASEAN originating application ≈ 1

27 April 2019

Direct v Madrid Protocol Costs:

Single class application, November 2018

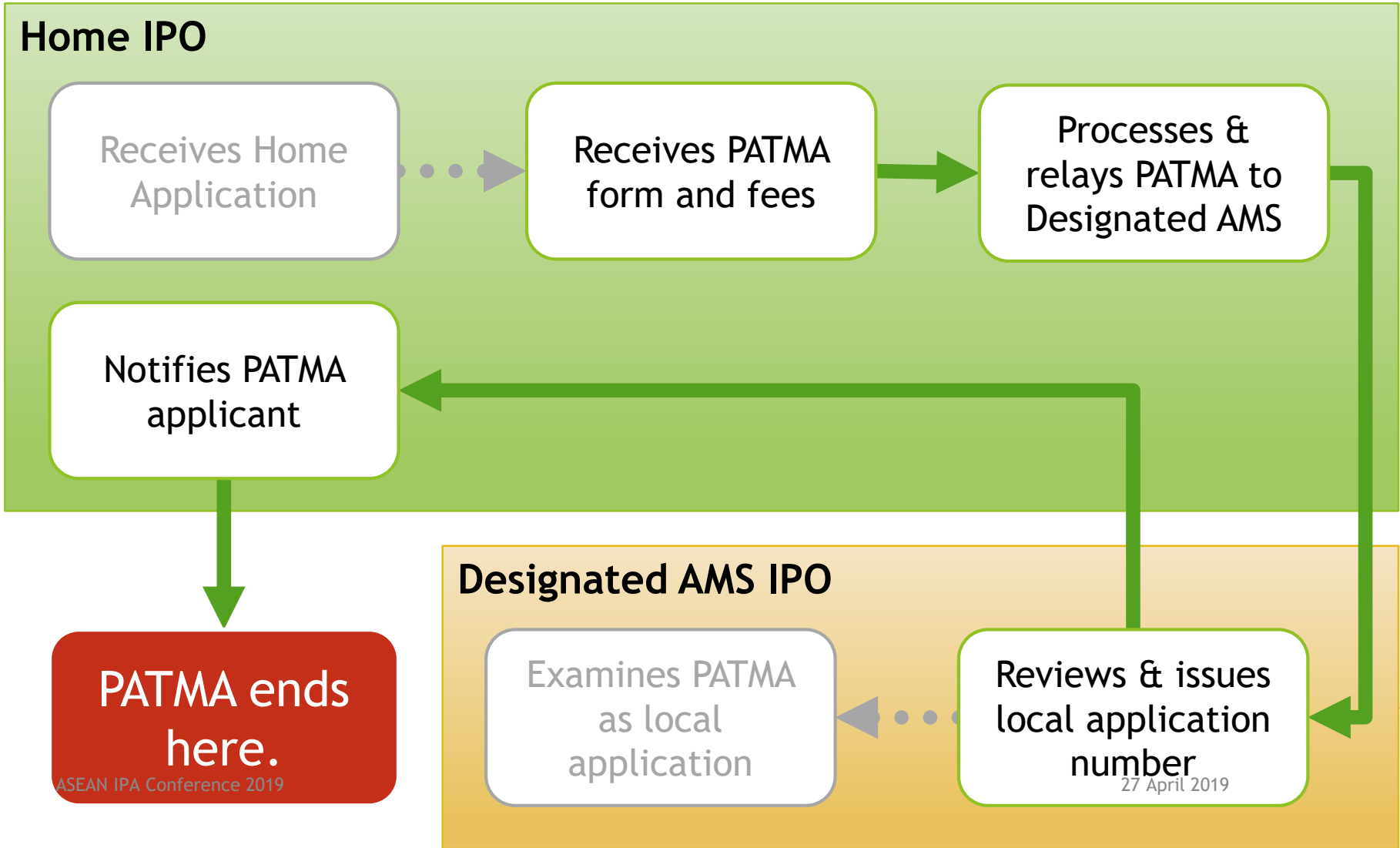
Country	Direct	International Application		
		Handling	Basic	Individual
Brunei	BND150 ≈ CHF109	?	CHF653	CHF196
Cambodia	KHR420,000 ≈ CHF104	KHR100,000 ≈ CHF25	CHF653	CHF139
Indonesia	IDR1,800,000 ≈ CHF124	IDR500,000 ≈ CHF34	CHF653	CHF144
Laos	LAK1,100,000 ≈ CHF128	?	CHF653	CHF141
Philippines	PHP5,184 ≈ CHF99	PHP2,592 ≈ CHF49	CHF653	CHF116
Singapore	SGD341 ≈ CHF248	SGD250 ≈ CHF182	CHF653	CHF242
Thailand	THB14,400 ≈ CHF435	THB2,000 ≈ CHF60	CHF653	CHF418
Vietnam	VND220,000 ≈ CHF9	VND1,500,000 ≈ CHF64	CHF653	CHF161

**Exchange rates based on information published on xe.com on 27 November 2018.*

The PATMA Option

A simple cost-effective alternative for ASEAN MSMEs

PATMA Flowchart



Salient Features of PATMA

- ▶ Simple concept
 - ▶ Single application
 - ▶ No regional ASEAN registration
 - ▶ Minimal change to local AMS laws and examination
 - ▶ Enhanced by common filing platform
- ▶ Reduced / “rationalized” costs
- ▶ Springboard for MSMEs
 - ▶ Into logical ASEAN market
 - ▶ Stepping stone to Madrid Protocol

Study Update

Identifying important matters on the ground

ASEAN IPA Conference 2019

27 April 2019

AWGIPC Meeting in Siem Reap

(27 November 2018)

- ▶ Philippines identified as PATMA country champion
- ▶ Potential co-pilot AMS IPOs: ID, SG, etc
- ▶ ASEAN IPA to conduct studies with selected AMS IPOs

PATMA Project Timeline

Milestone / Activity	Target
Concept Presentation before the AWGIPC at Siam Reap, Cambodia	Nov 2018
Preparatory “groundwork” <ul style="list-style-type: none"> - Study missions to selected AMS IPOS (PH, TH, VN, ID) - Study discussions with selected AMS IPOS (SG, MY) - Initial engagements with AMS MSME organisations (PH) - Initial IT requirements development 	Mar 2019
In-principle endorsement by AWGIPC	Jul 2019
Continue “groundwork” <ul style="list-style-type: none"> - Further study missions, discussions, engagements - Further IT requirements development - etc 	Aug 2019
Sign-off of plan by AWGIPC	Sep 2019
IT platform development (5 – 6 months)	Mar 2020
PATMA goes live (Philippines as pilot country)	Jul 2020

Preparatory Groundwork Findings

- ▶ Common grounds established
 - ▶ Good appreciation of PATMA
 - ▶ Desire to support MSMEs
 - ▶ Readiness for online/digital platforms
 - ▶ IT is key to PATMA's success
 - ▶ Rising IP awareness / capability
 - ▶ ASEAN is ready
- ▶ Some AMS IPOs' challenges
 - ▶ Lack of fiscal autonomy
 - ▶ Format of inter-government instrument
 - ▶ Minor amendments of some regulations
 - ▶ Specification translation burden
 - ▶ Payment/exchange controls

Immediate Next Steps

- ▶ AWGIPC to endorse PATMA
- ▶ Confirm co-pilot IPOs
- ▶ Identifying financial support for development/implementation
- ▶ Continue studies, discussions, missions with AMS IPOs
- ▶ Discussion with / education of AMS MSME/business sectors
- ▶ Common filing checklist for co-pilot IPOs
- ▶ PATMA fee structure and payment system
- ▶ Develop further IT operational details

Conclusion

- ▶ It's no longer about “WHY” but about “HOW” ...

Thank you!

Are we living in an era of change or a change of era?