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NETWORK INFLUENCE KNOWLEDGE LEARN

**SESSION NUMBER: 6**

**NAME OF SESSION:**

**International IP Asset Management**

**PRESENTER:**

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**trading ideas**

**THE FUTURE OF IP IN ASIA PACIFIC**



# Foster's



- Beer, wine, spirits & non-alcohol beverages
- More than 150 years of doing business
- HQ in Australia with operations in Asia-Pacific, NZ, Europe, US, Canada & South America

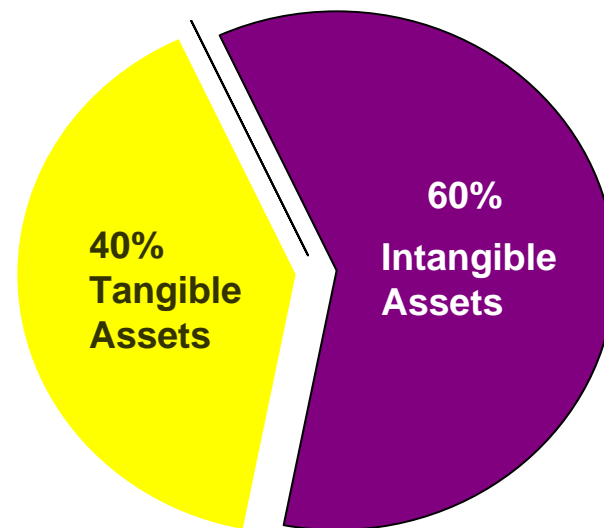


# The Role of IP at Foster's

- Essential infrastructure for brand equity
- Primary foundation for growth & ROI
- Strategic mechanism to capture and exploit innovation and creativity
- Major source differentiation and competitive advantage



## Intangible assets approx 60% of Enterprise Value @ 30/6/2006



**Enterprise Value = Market Cap + Total Liability**

# The Asia-Pacific Region

- A rapidly expanding centre of economic growth, and investment opportunity
- Offers relative advantages in both time & distance proximity for Australian companies
- Presents major challenges in terms of IP protection and enforcement strategies

## Security of IP assets

- Particular care in developing and executing protection strategies which are effective across all target markets
- High awareness of differences in national laws, practices & culture in different countries
- Implementing internal IP management & control systems
- Close attention to relationships with agents, commercial partners and government agencies

## IP Asset Management System

- Essentially an internal system & process for controlling and deploying IP assets
- Correlates IP against business projects or initiatives
- May extend to non-registrable as well as registrable IP
- Includes comprehensive monitoring and detection capability.

## Possible Approaches to Maximise IP security

- Be prepared to commit considerable resources to prudential searching and clearances
- Maximise prosecution lead times to reduce uncertainty on market entry
- Emphasis on strong as opposed to problematic IP support to minimise difficulties
- Understand and anticipate “differences” in nature and operation of national laws and across all markets

## Effective Deployment of IP Assets

- Assess the precise role of IP assets in attaining business objectives
- Ensure a close nexus between business and IP strategies and their dependencies
- Anticipate vulnerabilities
  - unused or expiring IP
  - product or market developments which places IP security at risk
  - compliance requirements across all markets
- Pay regard to complementary business issues/assets which may be pivotal to the efficacy of IP strategies

## Some Issues for Consideration

- Do we source production locally?
- When partnering, what IP is committed to the venture and on what terms?
- Is there a role for unregistered IP such as trade secrets?
- Reconciling regional market approaches with different national operating environments



## Major IP Issues

- Effective enforcement of IP rights
  - civil action
  - use of agencies
- Combating counterfeiting and piracy
- Managing dispute resolution



# Counterfeiting & Misappropriation





## Some observations

- Successful brands will inevitably be copied or mimiced
- Resolve, consistency and discipline is important in dealing with misappropriation
- Build flexibility into business models to assist enforcement:  
eg
  - pricing
  - speed of market penetration
  - depth of distribution



## Dispute Resolution

- Absolutely critical for asset security and growth in Asia-Pacific
- Keys
  - Success is directly related to early detection and action
  - Profile the situation and adversary to develop resolution strategies
  - Understand the practices and cultural disposition to conflict resolution
  - The approach to resolution is at least as important as the objective merits of your position
- Experience counts - post-facto analysis is a powerful learning tool



## Objectives for the Future to Reduce Uncertainty

- Increased automation of IP Offices, on-line information systems and improved service delivery
- Improved interoperability with the global IP protection systems (eg Madrid)
- Greater consistency in application and operation of enforcement remedies



## Conclusion

- The Asia-Pacific region will increasingly be a market of great importance
- Improving IP infrastructure and closer integration with global systems will be critical for development
- Strong onus will still remain with companies to develop innovative IP strategies to reflect the operating environment