



“Get export success with
the right connections!

Global experts are ready to help.

Interview with iadvisor: Alan Adcock



iadvisor Alan Adcock from Tillike & Gibbins International Limited explains the importance of intellectual property protection when doing business in China.

Based on your line of work and experiences, what type of advice would you be able to give businesses planning to internationalise?

Intellectual property (IP) is a valuable asset a company may have without even knowing it and the transfer or licensing out of that valuable property is an easy and relatively safe way to internationalize without even having to establish an operation overseas. With more than 15 years of global IP licensing and technology transfer experience, I assist SMEs in coordinating such expansion.

What are some of the challenges unique to setting up a business in China?

There is no doubt that there are challenges to face when a company brings its IP to China as well as when local Chinese companies innovate and develop their own IP, but the reality is that the IP system is becoming increasingly sophisticated, that there are reasonably adequate laws in place to enforce IP rights and that much can be achieved if a business gives its IP preparation sufficient and thought out prioritization. With careful preparation, it is possible to maximize commercial opportunities offered, while minimizing the IP risks. Do not be afraid of China (or other Asian countries for that matter).

What are some of the relatively untapped sectors that are suitable for Singapore companies in China?

Singapore's strength lies in biomedical technologies, life sciences, software, advertising and food products/franchising. These are all strong local industries which Chinese companies/individual investors are likely to be interested in.

What are some of the common pitfalls of Singapore businesses that venture into China?

- Often companies choose to send operational staff to establish their business in China, and their employees have little or no understanding about China and the need to invest in IP protection strategies. Because so many investors think there is no IP protection in China, they simply forget the issue.
- Foreign rights owners do little to properly protect their IP when entering business relationships with Chinese parties thinking that their partners will never infringe or that their partners will use and manage the IP responsibly. Only by way of strong registered rights (or strong secrecy protection systems in place in the case of unregistered IP) and clear and reasonable contracts governing the use of those rights will your interests be protected.
- Businesses transfer know-how or trade secrets, despite being aware of the risks, but do nothing to practically or procedurally protect that IP in the workplace. Protection of unregistered IP is difficult in even the most sophisticated jurisdictions, but choosing to do nothing is the surest way to insure theft and the loss of your secrets.
- Many business owners allow short term commercial objectives to dictate strategy, allowing distribution, pricing, education and marketing decisions to be driven independently of any discussion regarding IP.
- Many rights owners choose not to invest in IP protection, content to see rising market share and volume and hungry to show management that profitability is right around the corner.
- There is much more legitimate use of foreign IP in China than illegitimate use, so don't fall in with the wrong crowd.

All answers are provided to the best knowledge of the iadvisors at the point of question, and are solely represented by the iadvisors, not IE Singapore.

Need similar advice? Log on to www.iadvisory.gov.sg to receive your free market advice now!