



Vachanavuttivong: SMEs Must Hold IP to Compete

The awareness of IP must be raised among Thai small- and medium-enterprises, says Darani Vachanavuttivong, co-managing partner and managing director at Tilleke & Gibbins in Bangkok. SME owners must have knowledge on patent, copyright, industrial design, trademark and licensing laws to protect their own products or services, and to avoid infringement, she says.

Vachanavuttivong tells *Asia IP* that “Thailand will soon reap the benefits of both regional economic integration through the ASEAN Economic Community and accession to the Madrid Protocol system, which will likely be effective in Thailand by 2015. Based on the developments, now is the right time for the government to promote IP and start programmes to help SMEs grow locally and globally.”

South Korea and Singapore provide great examples of how subsidies and tax relief can encourage innovation, she says. “To allow SMEs to protect their trademarks in foreign countries, it is our view that the government, via the Department of Intellectual Property, should provide subsidies of at least 50% of both the official fees and lawyers’ fees in registering marks through the Madrid system” in the future, says Vachanavuttivong.

As Thailand is joining Madrid by 2015, the DIP needs to improve processing speed, Vachanavuttivong says. “It takes about 18 to 24 months to register a trademark, which is a reasonable amount of time compared to other countries. However, it takes more than five years to register a patent or an industrial design, which is far too long comparing to international best practices,” she says. “The length of

time required to register patents and industrial designs is the most serious problem currently facing the DIP, and it is discouraging IP owners from seeking protection of these two IPRs.”

Vachanavuttivong says that over the past few years, the DIP has already invested a great deal of effort and money in providing IP knowledge to SMEs. “The DIP’s trademark filing statistics show that Thai SMEs have gained at least a certain level of knowledge on protecting their trademarks in Thailand. And to help foster this knowledge, the DIP has introduced a wide range of programmes intended to educate SMEs about IP and enhance the role of IP in their business.”

The DIP is not the only organization promoting IP awareness to SMEs. Vachanavuttivong says the National Innovation Agency has a programme providing 50% subsidies of licensing fees paid by a Thai company. The National Science and Technology Development Agency has a programme to assist SMEs in drafting patent specifications at a low cost. Several universities have IP sections dedicated to providing IP protection for SMEs. The Department of Export Promotion has programmes to help SMEs expand

their businesses internationally.

However, many SMEs are not aware of the existence of these organizations, so Vachanavuttivong wants the government to establish “a single organization that would serve as the centre for gathering all services, programmes, and training courses for SMBs related to IP that are provided by other government agencies, universities, and associations. A single office would provide an easy point of contact when SMBs need assistance and would gather all of the relevant information for them.”

Besides education, there are ways guiding SMEs for IP advice at low cost. “The government filing fees for registering patents, trademarks, and industrial designs are very low in Thailand – B500 (US\$16) for patent, B800 (US\$26) per good for trademark, and B250 (US\$8) for industrial design,” Vachanavuttivong says. “Most SMEs can file the relevant applications directly with the DIP. If an SME requires consultation, the DIP has a unit dedicated to guiding them to understand how to file the applications with the DIP.”

- Johnny Chan



Now is the time for Thailand’s government to promote IP and start programs to help small- and medium-enterprises grow locally and globally, says Darani Vachanavuttivong, managing director at Tilleke & Gibbins in Bangkok.