



# World Intellectual Property Day

**Mr. Francis Gurry**  
Director General, World Intellectual Property Organization



World Intellectual Property Day is an opportunity to celebrate the contribution that intellectual property makes to innovation and cultural creation – and the immense good that these two social phenomena bring to the world.

It is an opportunity to create greater understanding about the role of intellectual property as a balancing mechanism between the competing interests which surround innovation and cultural creation: the interests of the individual creator and those of society; the interests of the producer and those of the consumer; the interest in encouraging innovation and creation, and the interest in sharing the benefits that derive from them.

This year the theme of World IP Day is visionary innovators – people whose innovations transform our lives. Their impact is enormous. They can, at times, change the way society operates.

Take the Chinese innovator, Cai Lun. He laid the foundations for the manufacturing of paper – a technology that transformed everything, because it enabled the recording of knowledge. Then there was the invention of moveable type. This was taken up in Europe by Johannes Gutenberg with his invention of the printing press, which in turn enabled the dissemination and democratization of knowledge. In our own lifetimes we have witnessed the migration of content to digital format, and the great distributional power for creative works that has been brought about by the Internet and the development of the World Wide Web – for whom we have to thank, among others, Tim Berners Lee.

Behind many extraordinary innovations there are extraordinary human stories. At a time when there were few female scientists, Marie Curie Skłodowska had to struggle to establish herself as a scientist in her own right as opposed to the wife of a scientist. She also struggled as an immigrant working in another community. Her desire to understand led to the fundamental discoveries for which she was awarded two Nobel prizes in two separate disciplines – in physics and in chemistry – the only person ever to have achieved this.

In the arts, innovation revolves around new ways of seeing things. A visionary artist or a composer or a writer is able to show us a different way, a new way of looking at the world.

Bob Dylan, for example: he captured what was in the air and transformed several genres of music, essentially bending the genres of folk and rock music. Or consider architects – like Zaha Hadid or Norman Foster – who are transforming urban landscapes, and beautifying our existence in new ways, while at the same time taking into account the need to preserve the environment.

We are dependent upon innovation to move forward. Without innovation we would remain in the same condition as a human species that we are in now. Yet inventions or innovations – in the health field for example – are of relatively little value to society unless they can be used and shared. This is the great policy dilemma. On the one hand, the cost of innovation in modern medicine is enormous. On the other hand, the need for compassion, and the need for sharing useful innovations, is also enormous.

I believe we should look upon intellectual property as an empowering mechanism to address these challenges.

But we have to get the balances right, and that is why it is so important to talk about intellectual property. On this World Intellectual Property Day I would encourage young people in particular to join in the discussion, because intellectual property is, by definition, about change, about the new. It is about achieving the transformations that we want to achieve in society.

Photo: Dhillon Photographics

**Mr. Gregory So**  
Secretary for Commerce and Economic Development



Today, we pay tribute to the contributions of visionary innovators. Their achievements have provided engines of progress for human society and transformed the way we live.

It is also a fitting moment to reflect on the role of intellectual property (“IP”) as a tool for encouraging learning, innovation and creativity. On the other side of the same coin lies the interest that society has in free access to knowledge and art. How best to maintain an equitable balance between the two is an ever changing challenge for legislatures around the world.

On the occasion of the 2012 World IP Day, we wish to re-affirm our commitment to maintaining a robust regime for protecting IP rights to facilitate the sustainable development of our creative industries and the development of Hong Kong as a knowledge-based economy.

We keep our IP legislation under review to ensure that it remains relevant in meeting the test of time. Our Copyright Ordinance is being updated to enable copyright owners to capitalise on the opportunities offered by rapid advances in digital technology. We are also examining the positioning of our patent system to see whether

and, if so, how the system should be enhanced to better serve our innovators.

We spare no efforts in grooming and attracting talent for our innovation and creative industries. Apart from continuing investments in infrastructure (including the development of Science Park Phase 3), we provide different financial incentives to promote innovation and creativity through support measures including the Innovation and Technology Fund; the CreateSmart Initiative; and tax deduction for capital expenditure incurred on the purchase of certain IPs used in business.

Hong Kong has a long history of engaging in different kinds of IP transactions, as a marketplace that provides professional services in licensing, franchising and intellectual property registration. We are stepping up efforts to grow Hong Kong as a regional IP trading hub by bringing Mainland investors and overseas IP owners together.

Our achievements in the protection of IP rights are well recognised by the international community. Looking ahead, we will continue to cooperate with overseas authorities in tackling organised and transnational infringing activities, and roll out public education programmes aimed at entrenching in the community a culture of respect for IP, especially amongst students and youngsters who, in time, would become our future generations of innovators.



Mr. Andrew Liao

Mr. Peter Cheung

Moreover, we are fully supported by the mainland Chinese government, while being a gateway for going into and now out of China ourselves.

At the end of the day, IP trading and creativity go hand in hand, as exemplified by the regular “I Pledge” Live Band Show held by the Intellectual Property Department, in which youth bands are recruited to perform innovative music, in an effort to engage more youngsters in meaningful creative activity. It is a way of putting IP into action, and of ‘inventing the future.’ As Mr. Peter Cheung’s self-penned ode to IP says, ‘Intellectual Property Drives the World/Adding Value to whatever that you sell/Commerce and economic development depend on it/Let’s work together to invent our future!’

Both men agreed that Hong Kong is well poised to become a hub for the trade, given our position and our well-established infrastructure. Not only do we have rule of law, low tax rates, and no foreign exchange control, but the IP system in Hong Kong is already well in place – people create without fear of copying. At the same time, we are already a center of trade and of the service industry.

## VISIONARY INNOVATORS

### Designing the Future

This year we celebrate the Hong Kong Design year with a series of exhibitions and initiatives. Dr. Edmund Lee, Executive Director of the Hong Kong Design Centre, discusses how creativity is well and alive in Hong Kong, and how it can penetrate and enrich our daily lives

2012 is the Hong Kong Design Year – ‘Design’, or, rather, the practical application of a creative plan, comes into the fore as we look towards the future. At its best, design can push boundaries and carry society forwards – an ambition that Dr. Edmund Lee is keen to work at, through the Hong Kong Design Centre.

Design, at its most fundamental level, says Dr. Lee, is ‘creative product’, and closely associated with Intellectual Property (IP), because at heart it aims to commercialize creativity, and applies it to daily life. Hong Kong, with its free economy, creative freedom and strong IP protection, creates the ideal environment for innovation, and provides outlets for creativity. Designers and brands, for instance, can work across media in creating breakthrough products.

There are many ways, explains Dr. Lee, in which creativity can be commercialized, and

integrated with our daily lives. Illustrations by graphic artists, for instance, can be printed on T-shirts, or on other souvenirs, such as gift wraps and stationery, and cartoon characters could be turned into merchandise. Also, smartphone apps provide another platform which is made possible by the protection of IP.

At its best, continues Dr. Lee, ‘Design is not just simple drawing or engineering, but a significant craft, that originates from ideation and culminates through research and planning into a product.’ Clearly, it’s a systemic process that is not just about isolated bursts of creativity, but how that creativity finds a place in the economy, and how it can benefit the society.

A good example is an NGO’s project – ‘So Soup’ project, e.g., merges design and entrepreneurship in an effort to help NGOs. In order to provide for the community, the project calls upon designers to create the right device

for bringing necessities to all classes of the public, creating business and job opportunities in the process. ‘This illustrates,’ as Dr. Lee says, ‘that any practical project necessitates design.’ The building of a crematorium, for instance, calls upon designers to consider questions such as: How can we create a dignified atmosphere through integration with the environment, so that the end product is peaceful, green and even stylish?

With 2012 being the Hong Kong design year, and with the advocating of Hong Kong as a city (driven by design), Dr. Lee is quick to point out that design is well and alive in Hong Kong. ‘There is a strong design presence in Hong Kong,’ he says, listing the Hong Kong Polytechnic University’s many innovative design programs, the City University of Hong Kong’s famed Creative Media Department, and the

## An Asian network of creative hubs

Mr. Danny Yung, Co-Artistic Director of Zuni Icosahedron, envisioned a day when Hong Kong, the rest of Greater China, Japan, South Korea and the rest of Asia could be united in a common artistic dialogue. In the process, he expressed his hope for better policy-making in order to encourage creativity.

needed. Right now, we have too many operators, and not enough thinkers.’

For Hong Kong to truly strengthen its position as a creative hub, Mr. Yung believes that not only do we need creative citizens, but a creative economy which champions original design and supports creative educators. ‘We need to nurture new generations to have the creativity, curiosity and motivation to learn. Only thus can we create a knowledge-based society.’

To achieve this end, Mr. Yung has contributed his sculpture ‘Tian Tian Xiang Shang’, a series of tiny ceramic figures which can be freely decorated, to the community. In a city-wide endeavor, students from primary and secondary schools, along with local artists, provided their own interpretation of the figures.

But a deeper problem is the lack of research on all levels, which is reflected in the university curriculum. ‘There are courses teaching people

how to operate design tools, but none teaching artistic leadership. As for NGOs, they focus on gathering data, but little on critical analysis.’

Within Hong Kong, clearly, more work needs to be done towards fostering creativity. But Mr. Yung believes cultural exchange – within Greater China, and within Asia, is as important as internal policy and strategic research. This cross-cultural exchange is something that Mr. Yung is trying to spearhead. ‘We need to move beyond commercial exchange. For that, we have the Hong Kong Trade Development Council. But we don’t have systematic cultural exchange activity between Hong Kong and Greater China, and other territories. Right now, these exchanges remain occasional, and at the song-and-dance level.’ For this, he proposes exchanges at provincial level – so that Hong Kong citizens or artists can be stationed in Chinese provinces for at least a year, and vice versa.

Besides Greater China, Mr. Yung believes that Hong Kong people should also reach out to our Asian neighbors – such as Japan, South Korea, Singapore, India, in order to build a real sense of community. Mr. Yung, for instance, will be attending a conference in Japan in May, discussing how to link Hong Kong and Tokyo as creative hubs.

Ultimately, Mr. Yung is a man with a vision. His vision is a city where not only is there frequent cultural exchange and whole-hearted creative sponsorship, but frequent cross-discipline exchange as well – a place where creativity can flow freely and be fully supported. In this city, dancers, musicians, media workers and even economists, despite their differences, will gather to know each other, be inspired by each other, and work together as an organic effort for the future.

## Pioneering IP Trading

### IP Trading is an All-Win Situation

Senior Counsel Mr. Andrew Liao interprets the term ‘visionary innovator’ as the ability to think ahead of the crowd, and create cultural and technological breakthroughs that benefit society, in the form of methods, ideas or products. To foster this sense of creativity and to turn this creative power into commercial power, Mr. Liao believes that the way forward is in IP Trading.

When IP trading is in place, people will be free to buy and sell, license, transfer and invest in intellectual property rights just as they would any tangible goods. Ideally, in the future, when a virtual marketplace for IP trading is set up, potential could be swiftly turned into products, and brands. ‘Right now, without an open, transparent market for IP trading, 80% of good

ideas cannot be made commercially viable’, points out Mr. Liao.

Director of the Intellectual Property Department Mr. Peter Cheung echoes with the importance of IP trading. ‘To truly sponsor innovation, mere registration of patents, trademarks and designs, and protection of trade secrets, is not enough. We have to promote IP Trading in order to foster a truly healthy creative industry. With trading in place, IP as a system can be monetized, and can thus help investments pay off in terms of remuneration. At the same time, Small- to Medium-sized enterprises could really benefit as technology becomes widely available, because it can complement their lack of R&D.’

For IP Trading to succeed, two things are needed, the introduction of intermediaries –

professional ‘IP brokers’ who can facilitate the transactions of IP, and the setting up of a many-to-many IP platform. For IP Trading to flourish, a wider network needs to be set up, similar to Denmark’s IP Marketplace. In this respect, the private sector can look into the setting up of a virtual trading ground, and the government will support relevant initiatives to raise various sectors’ awareness of the trend.

Both men agreed that Hong Kong is well poised to become a hub for the trade, given our position and our well-established infrastructure. Not only do we have rule of law, low tax rates, and no foreign exchange control, but the IP system in Hong Kong is already well in place – people create without fear of copying. At the same time, we are already a center of trade and of the service industry.



Mr. Yung believes that Hong Kong is not lacking of visionary innovators, but that our society lacks a strategic framework to support these talents through schemes, policies and leadership. We also need innovative platform to encourage cross-disciplines, cross-sectors and cross-cultural exchange and collaboration. Only via such exchange and collaboration can we develop our culture.

‘What we need most of all is a government think-tank, that can provide a blueprint for the creative industry,’ says Mr. Yung. ‘More innovation from higher level policy-makers is

## IP in Action [www.ipd.gov.hk](http://www.ipd.gov.hk)

**‘I Pledge’ Campaign**  
The ‘I Pledge’ Live Band Show was held, with 7 hours of non-stop pop music at the Hong Kong Cultural Centre, performed by about 30 youth bands on February 26



**IP Explorer**  
A free online audit tool, this is developed by the IP offices of Hong Kong, Australia and Singapore to help SMEs realize and profit from their IP assets



**The ‘Legends of Creativity’ Seminar**  
The seminar was held in three tertiary institutions in November 2011, in which creative talents shared their experience with over 350 students on IP protection



**Interactive Drama Programme**  
The drama was performed in 55 primary schools from October 2011 to February 2012



**School Visits**  
From April 2011 to March 2012, the IPD visited 82 schools to let them learn about IP