

## **THE ROLE OF INTELLECTUAL PROPERTY IN THE FRANCHISING INDUSTRY**

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19 September 2007**

## **INTELLECTUAL PROPERTY REGIME IN SINGAPORE**

- > Trade Marks – registered and unregistered**
- > Patents**
- > Registered designs**
- > Copyright**
- > Law of Confidentiality / Trade Secrets**
- > Geographical Indications**
- > Layout Designs of Integrated Circuits**
- > Plant Varieties**

## COMMON QUESTIONS

- > How do I patent my trademark?
- > Can I copyright my patent?

INTELLECTUAL PROPERTY RIGHTS SUCH AS  
PATENTS, TRADE MARKS, COPYRIGHT ARE

**DIFFERENT  
BUT  
NOT MUTUALLY EXCLUSIVE**

## INTELLECTUAL PROPERTY – TERRITORIAL PROTECTION

- > Protection is territorial
- > Different countries have different laws
- > Some harmonisation of laws due to international treaties
- > Need to map out international IP protection ahead of actual exploitation

# TRADE MARKS

## TRADE MARKS

- > Registration [Examples](#)
  - not mandatory in Singapore
  - mandatory in countries such as China, Vietnam, Indonesia
  
- > Registration in Singapore through
  - Intellectual Property Office of Singapore (“IPOS”)
  - International Registration filed under the Madrid Protocol administered by World Intellectual property Organisation (“WIPO”)
  
- > Law of Passing Off – protects unregistered trade marks

## TRADE MARKS – WHY REGISTER?

### Registered Mark

- > Certificate of registration proves ownership
- > Protection granted even if mark is not used yet
- > Blocks registration of conflicting marks
- > Defence against infringement
- > Civil and criminal remedies
- > Border enforcement possible
- > Statutory damages available

### Unregistered Mark

- > No official proof of ownership – need to establish during legal proceedings
- > Must prove use and goodwill in Singapore before protection is granted
- > If conflicting mark registered – may cause a problem
- > Vulnerable to infringement action
- > Only civil remedies available
- > No border enforcement
- > No statutory damages available

## TRADE MARK APPLICATIONS

- > There are 45 different classes of goods and services
  - 34 classes of goods
  - 11 classes of services
- > Applications have to be filed in each country
- > International treaties
  - Madrid Protocol (Singapore is a party)
  - Community Trade Mark (for European Community)

## TRADE MARK CLEARANCE

- > Internal clearance
  - Short list suitable trade marks
  - Check Internet to see if anyone using similar mark
  
- > Conduct trade mark searches
  - Conduct search immediately after choosing name
  - Conduct search before commercial launch
  - Engage a professional to conduct search
  - Search in countries in which you wish to do business

## SINGAPORE TRADE MARK APPLICATION PROCESS

- > File application in desired class
  
- > IPOS will examine application and issue examination report
  
- > When accepted, mark will be advertised for opposition purposes
  
- > If no opposition filed within 2 months of advertisement, certificate of registration is issued
  
- > Trade Mark is valid for 10 years and may be renewed for further periods of 10 years

## TRADE MARKS – REGISTRATION IN SINGAPORE

- > A trade mark can consist of any visually perceptible sign capable of graphical representation
- > Registrable trade marks include shape, colour and aspect of packaging.
- > Applications are examined in Singapore and registration may be refused on the following grounds:-
  - Absolute grounds - where the mark does not satisfy definition of a trade mark, and where the trade mark is not distinctive
  - Relative grounds – where the mark conflicts with an earlier mark

## TRADE MARKS – REFUSAL BASED ON ABSOLUTE GROUNDS

- > Does not fall within definition of trade mark eg. **Smell, Sounds**
- > Devoid of distinctive character eg. **ASIAN NOODLES**
- > Consists exclusively of signs which serve to indicate kind, quality, quantity, intended purpose or origin of goods/services eg. **100% PURE**
- > Consists of signs which have become customary in the current language eg. **ROLLERBLADES?**
- > Contrary to public policy or morality eg. **AL QAEDA**

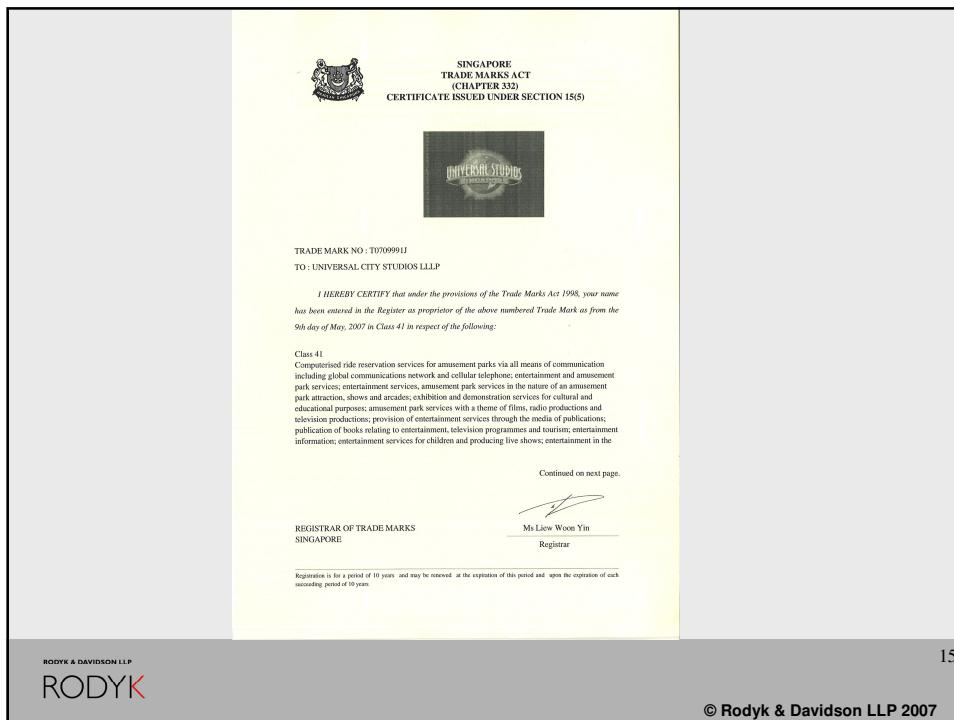
## TRADE MARKS – REFUSAL BASED ON ABSOLUTE GROUNDS

- > Deceives the public eg. **100% PURE**
- > Use prohibited by law eg. **Merlion**
- > Application in bad faith
- > Consists of geographical indications eg. **CHAMPAGNE**
- > Consists of or contains flag or emblems of a Convention country or intergovernmental organisations eg. **WIPO**

## TRADE MARKS – REFUSAL BASED ON RELATIVE GROUNDS

- > Conflicts with an earlier mark
- > Earlier mark need not be exactly the same as the mark sought to be registered
- > Test is whether there is likelihood of confusion

### Examples



## INTERNATIONAL TRADE MARK APPLICATION UNDER MADRID PROTOCOL



- > More than 100 countries are members
- > Need to file a Basic Application in Singapore first before filing an International Application
- > By filing one International Application at IPOS – can designate as many countries as you like but fees are payable for every country
- > International applications are examined by the National Offices within 18 months of the date of the application
- > National Offices decide whether or not to grant application
- > Persons domiciled in Singapore or entities with a real and effective industrial or commercial establishment in Singapore can file

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<p>WORLD INTELLECTUAL PROPERTY ORGANIZATION</p>  <p>30, Avenue de la Liberté, P.O. Box 18, CH-1211 Genève 18, Switzerland Tel.: (41-22) 9191111 - Facsimile: International Registry of Marks: (41-22) 9191126 E-mail: <a href="mailto:info@wipo.int">info@wipo.int</a> - <a href="http://www.wipo.int">www.wipo.int</a></p>	<p>MADRID AGREEMENT AND PROTOCOL</p>
<p><b>CERTIFICATE OF REGISTRATION</b></p> <p>The International Bureau of the World Intellectual Property Organization (WIPO) certifies that the indications appearing in the present certificate conform to the recording made in the International Register of Marks maintained under the Madrid Agreement and Protocol.</p> <p style="text-align: right;"><i>J. Zahra</i> Judith Zahra Deputy Director and Head International Registrations Operations Service International Registrations Division</p> <p>Geneva, April 5, 2007</p>	
<p><b>916 397</b></p> <p>Registration date: <b>January 23, 2007</b> Date de dépôt: <b>January 23, 2007</b></p> <p>Informatics Education Ltd 12 Science Centre Road, Informatics Campus Singapore 609080 (Singapore).</p> <p>Legal nature of the holder (legal entity) and place of organization: company limited by shares, SINGAPORE Name and address of the representative: RODYK &amp; DAVIDSON, P.O. Box 462, Robinson Road Post Office, Singapore 900012 (Singapore).</p>  <p>Classification of figurative elements: 26.15.</p> <p>Description of the mark: "The mark consists of the letters "i" in a stylized logo form and represented in the sphere.</p> <p>List of goods and services - NCI(R): 9 Computer programmes, recorded; interactive computer software; electronic publications (downloadable); multi-</p>	<p>media content in electronic form created by computer software.</p> <p>16 Books, files (office requisites), pens (office requisites), writing pads, printed matter, instructional and teaching material (except apparatus); printed publications.</p> <p>41 Educational and tuition services; educational and tuition services via the Internet; organising and conducting meetings, conferences (including teleconferencing), lectures, workshops, seminars and symposia for the purpose of education; training services; practical training; teaching services; publication of texts (other than publicity texts); conducting of correspondence courses; rental of films, video and audio tapes, CD-ROMs and other media used to store information for the purpose of education.</p> <p>Basic application: Singapore, 28.11.2006, T06/25891H. Basic application: Singapore, 28.11.2006, T06/25890Z. Data relating to priority under the Paris Convention: Singapore, 28.11.2006, T06/25890Z, class 9. Data relating to priority under the Paris Convention: Singapore, 28.11.2006, T06/25891H, class 16. Designated under the Madrid Protocol: Botswana, China, European Community, Kenya, Viet Nam.</p> <p>Date of notification: 05.04.2007 Language of the international application: English</p>
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<p><b>REASONS FOR FRANCHISORS TO OBTAIN REGISTRATION</b></p>	
<ul style="list-style-type: none"> <li>&gt; Registration confers exclusivity             <ul style="list-style-type: none"> <li>- Only franchisor and its franchisees can use</li> </ul> </li> <li>&gt; Franchisees want assurance that their use of the trade mark will not amount to infringement of third party rights</li> <li>&gt; Registration may be required by local franchise legislation</li> <li>&gt; Registration may be required for repatriation of royalties</li> </ul>	
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## RIGHTS OF OWNER OF REGISTERED TRADE MARK

- > Exclusive right to use registered trade marks in respect of goods or services for which the mark is registered
- > Right to stop others from using identical or similar mark in respect of goods or services identical/ similar to registered goods or services
- > Use of registered trade mark does not amount to infringement of another trade mark

## TRADE MARK OFFENCES

- > Counterfeiting registered trade mark
- > Falsely applying a registered trade mark on goods or services
- > Making or possessing articles for committing offence
- > Importing or selling goods on which a trade mark is falsely applied
- > Fine not exceeding \$100,000 or to imprisonment for a term not exceeding 5 years or to both

## TRADE MARK ENFORCEMENT

- > For registered trade marks
  - Both civil and criminal actions for infringement
  - Border enforcement by Customs Officers
  
- > For civil actions
  - Injunction to stop infringing activity
  - Account of profits or damages
  
- > For criminal actions
  - Fine of up to S\$100,000 or imprisonment of up to 5 years or both

## REVOCATION OF REGISTERED TRADE MARKS

- > Registered trade marks may be revoked
  
- > Revocation application usually filed by third party who wishes to use an identical or similar mark
  
- > Grounds of revocation include:
  - non-use
  - registration obtained in bad faith
  - registration was against the law
  - mark is not distinctive of registered proprietor e.g. others also using similar mark

## PROPER USE OF REGISTERED TRADE MARKS

- > Use in upper casing to indicate that it is a trade mark eg.  
**KODAK**
- > Do not use as a noun or verb  
e.g. the “**JEEP**” to indicate a rugged vehicle  
e.g. to “**XEROX**” to indicate to photocopy
- > Use as an Adjective  
e.g. refer to **BATMAN** action figures as “**BATMAN** figurines” and not simply as “**BATMAN**”
- > Mark which falls into generic use may be cancelled  
e.g. **ESCALATOR**, **NYLON**, **ASPRIN**, **LINOLEUM**.

## PROPER USE OF REGISTERED TRADE MARKS

- > Police unauthorised use and diligently take action, otherwise you may not be able to enforce your rights when you finally want to
- > Use mark continuously otherwise mark may be cancelled for non-use
- > Use mark in registered form
- > No amendments or modifications
  - Use mark as designed and registered

## PROPER USE OF REGISTERED TRADE MARKS

- > Family of marks Example
  - Create association among the various marks within a group of trade marks with a single component common to all
  
  - Prevents others from using a dissimilar mark with the same component
    - e.g. KODACOLOR, KODACHROME
  
  - Use, display and advertise “family” of marks so public aware and come to associate the family of marks with the owner

## PROPER USE OF REGISTERED TRADE MARKS

- > Management and record keeping
  - “Use it properly, or lose it completely”
  
  - Train employees on proper use of trade marks
  
  - Review A&P material prior to publishing
  
  - Review trade mark portfolio from time to time
  
  - Diligent enforcement
  
  - Keep records of use

## USE OF SPECIAL SYMBOLS

- > Falsely representing that trade mark is registered when it is not  
eg ®
  - Fine not exceeding \$10,000
- > “**TM**” and “**SM**” indicate use as a trade mark / service mark
  - Not necessary to have a registration or pending application
  - “**TM**” and “**SM**” have no legal consequences by themselves
- > Not a mandatory requirement to use ®, “**TM**” and “**SM**” symbol in relation to a registered mark

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## USE OF SPECIAL SYMBOLS

- > Cannot register a trade mark incorporating Flag of Singapore without authorisation from President
- > Use of Merlion logo without STB's permission
  - Fine not exceeding \$2,000 or to imprisonment for a term not exceeding 6 months or to both

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## BE WARY OF CHEATS

- > Many preying on unsuspecting trade mark owners
- > Requests for applicants to pay money for publication or for other “official” matters
- > Owners do not know whether requested payment is legitimate

Example

## REGISTERED DESIGNS

## REGISTERED DESIGNS

- > Designs may be registered for
  - Clothing
  - Furniture
  - Electrical appliance
  - Bottles
  - Jewellery
- > To be registrable, designs must
  - Be new
  - Not be dictated by function
- > Not new if it differs from another design in immaterial details or in features which are commonly used in the trade

[Examples](#)

## OBTAINING REGISTRATION

- > Domestic application
  - File application with IPOS
- > International Application under the Hague Convention
  - can designate many countries
  - designated countries will examine application whether application capable of registration
  - examination by IPOS as to form only



## REGISTERED DESIGNS IN SINGAPORE

- > Excluded from registration
  - works of sculpture, wall plaques, medals
  - printed matter of a literary or artistic character  
e.g. calendars, certificates, dress making patterns, greeting cards, labels, leaflets, maps, certificates, advertisements, forms
- > Need to file application for registration with IPOS
- > In line with International trends, there is no examination on whether design is new
  - issues in enforcement
  - revocation of registration possible

## REGISTERED DESIGNS IN SINGAPORE

- > Total period of protection is 15 years, provided renewal filed every 5 years
- > If subject matter may be registered as a design, but it is not registered, then it may lose copyright protection
  - **IMPORTANT TO REGISTER**
- > Design protection can be used to protect trade mark rights eg. **YAKULT** bottle

## RIGHTS CONFERRED BY REGISTRATION

- > Exclusive right to
  - make in Singapore or import into Singapore
  - sell or hire in Singaporeany article to which the design is applied
  
- > Civil proceedings for infringement
  - injunction
  - damages or account of profit
  
- > No criminal proceedings for infringement
  - because no examination!

## OFFENCES

- > Falsely representing that design is registered
  
- > Make false entry in Register

Fine of up to S\$50,000 or imprisonment of 5 years or both

## REGISTERED DESIGNS IN FRANCHISING

- > Registration may be obtained for
  - products sold in franchised system
  - staff uniforms
  - unique point of sale materials
  - unique display systems
  
- > Non-registration may result in others being able to freely copy!

## COPYRIGHT

## COPYRIGHT

- > Copyright Act (Cap 63)
- > No formal registration is required for protection in Singapore (though this exists in some countries)
- > International Conventions:
  - Berne Convention for the Protection of Literary and Artistic Works
  - Universal Copyright Convention
- > Issues with proof of ownership
  - send letter to oneself
  - statutory declaration

## COPYRIGHT

- > Nature of protection
  - different categories
- > Territoriality
- > Originality
- > Reduction into material form
  - No protection for mere ideas
- > Infringement must involve copying
  - No infringement if independent work.

## CATEGORIES OF WORKS PROTECTED BY COPYRIGHT

- > Literary works
  - Operating Manuals, forms, templates, letters, compilations, computer programs, newspaper articles,
  - Trade Marks
    - DON'T LEAVE HOME WITHOUT IT
    - JUST DO IT
  
- > Artistic works
  - Paintings, sculpture, drawings, engraving, photographs, buildings or models of buildings, works of artistic craftsmanship
  - Trade Marks

Example

## CATEGORIES OF WORKS PROTECTED BY COPYRIGHT

- > Dramatic works
  - Choreographic shows
  
- > Musical works
  - Music scores

## DERIVATIVE WORKS

- > Sound recordings
- > Cinematographic films
  - Includes computer generated moving images, animations, computer games
- > Television and sound broadcasts
- > Cable programmes
- > Published editions of works
  - Layout of the published edition of the whole or part of one or more original works (typographical arrangement)

## DERIVATIVE WORKS

- > Copyright in a derivative work is distinct from the copyright in any underlying work being recorded, broadcast or published
- > Examples -
  - Sound Recordings:
    - Lyrics: Literary work
    - Tune: Musical work
  - Movie based on a novel:
    - Novel: Literary work
    - Script: Dramatic work
    - Musical score: Musical work

## OTHER PROTECTION

- > Performer's rights
  - civil and criminal proceedings for unauthorised use of a performance
  - e.g. unauthorised taping of live performance by BEE GEES, and uploading the recording onto YOU TUBE
  
- > Removal of rights management information
  - removal of rights management information without authority
  - information identifies the work, author, terms and conditions of use
  
- > Circumvention of technological measures

## CIRCUMVENTION OF TECHNOLOGICAL MEASURES

- > Circumvention of technological measures
  - technological access control measure
  - technological protection measure
  
- > Prohibited acts
  - circumvent the technological measure
  - manufacture or sell device which is promoted/designed to circumvent technological measures
  
- > Civil and criminal proceedings

## CRITERIA FOR PROTECTION

- > Authors must be qualified persons
  - Singapore citizen of Singapore or
  - Resident in Singapore or
- > First publication of the work in Singapore
- > Pursuant to the Copyright (International Protection) Regulations, copyright protection extended to:
  - works of citizens of World Trade Organisation member countries
  - works first published in World Trade Organisation member countries

## ORIGINALITY

- > The work must originate from the author
- > Authors' efforts are protected regardless of merit of the work itself
- > The author must have exercised a modicum of skill, labour and judgment in the creation of the work
- > Trivial works are not protected
  - e.g. Single words, names, titles and slogans

Exxon Corp v Exxon Insurance [1982] Ch 119



## REDUCTION INTO MATERIAL FORM

- > Copyright does not protect ideas, but the expression of ideas
- > Copyright works must have tangible form
  - e.g. Programme formats are refused copyright protection.  
Green v Broadcasting Corp of New Zealand
- > Is there copyright in the spoken word?

## COPYRIGHT OWNERSHIP

- > Generally, author is the owner of the copyright in the work
  - attention to outsourcing e.g. design of uniforms, logos, Operations Manual
- > Exceptions
  - Employment
    - employer owns work if created in the course of employment.
  - Commissioned work – photographs, painting, drawing, engraving
    - owned by the commissioner, subject to restrictions
  - Assignment
    - ownership (whole or part) of copyright may be transferred to a third party

## PERIOD OF PROTECTION

- > Original works:
  - Life of author +70 years
  - If published after the author's death: 70 years after first publication
  
- > Sound recordings and cinematographic films:
  - 70 years from the end of the year of release of the sound recording or film
  
- > Broadcasts and cable programmes:
  - 50 years from the end of the year of making the broadcasts or cable programme
  
- > Published editions of works:
  - 25 years from the end of the year in which the edition was first published

## PROTECTION OF COPYRIGHT

- > Copyright notice
  - e.g. © Rodyk & Davidson LLP 2007
  - absence of a copyright notice or © symbol does not mean that copyright is waived or lost
  
- > Document creation and authorship:
  - How do you show or prove?
  
- > How do you show copying?

## OWNERSHIP RIGHTS

### Exclusive rights (where applicable) to:

- > Reproduce the work
- > Publish the work
- > Perform the work in public
- > Communicate the work to the public (including Internet)
- > Adapt the work

## PRIMARY INFRINGEMENT

- > Do acts within exclusive rights of copyright owner without the consent of the copyright owner
- > Objective similarity
- > Causal connection leading to inference of copying
- > Copying may be conscious or sub-conscious

## SECONDARY INFRINGEMENT

- > Sale, hire or offer for sale or hire
- > Distribute for trade or other purpose prejudicial to copyright owner
- > Exhibition in public by way of trade
- > Importation for the above purposes

where it is known or should be known that the article infringes copyright or was made without the consent of the copyright owner

## AVOID COPYRIGHT INFRINGEMENT

- > Document ownership:
  - Date of creation
  - Particulars of author
  - Employment contracts
  - Commissioning Agreement
  - Licence obtained
  - Assignment of copyright and other intellectual property rights
- > Copyright clearances:
  - Obtain direct licence from copyright owner
  - Contact collecting society representing the interests of copyright owners

## COPYRIGHT CLEARANCES

- > Composers and Authors Society of Singapore (COMPASS):
  - public performance rights for a musical work
- > Recording Industry Performance Singapore Pte Ltd (RIPS):
  - public performance rights for a music video
- > Music Publishers (Singapore) Ltd (MPS):
  - rights in relation to musical works
- > Copyright Licensing and Administration Society of Singapore Ltd (CLASS):
  - reproduction rights for literary works

## LEGAL PROCEEDINGS

- > Civil and criminal proceedings for copyright infringement of copyright
- > Criminal proceedings carried out by copyright owner with authority of Public Prosecutor
  - many different offences with different punishment
  - fine of up to S\$100,000 and infringement of up to 5 years

## DEFENCES

- > Fair dealing:
  - including research or private study
  - reporting current events
  - for criticism and review
  
- > Take into consideration
  - purpose and nature of dealing
  - nature of work
  - amount and substantiality taken in relation to whole work
  - effect on potential market

## WHAT IS REASONABLE PORTION?

- > Published editions of more than 10 pages:
  - not exceeding 10% of the number of pages
  - exceeding 10%, but from only one chapter
  
- > Published editions in electronic form:
  - not exceeding 10% of total number of bytes; or
  - not exceeding 10% of total number of words; or
  - exceeding 10%, but only from one chapter

## OTHER DEFENCES

- > Judicial proceedings
  
- > Professional advice from advocate and solicitor
  - seeking advice
  - giving advice

## OTHER PERMITTED ACTS (SUBJECT TO CONDITIONS)

- > Examples:
  - Back up copy of computer programs
  - Transient reproduction in the course of communication
  - Decompilation of computer program
    - to create an independent computer program to operate with the program decompiled
    - Subject to other restrictions
  - Short extract of works in collections for use by educational institutions
  - Public recitation of an extract of reasonable length
  - Religious performances
  - Painting, drawing, engraving, taking photographs of an artistic work located in a public place or including it in a cinematographic film or television broadcast

## OTHER PERMITTED ACTS (SUBJECT TO CONDITIONS)

- > Examples (continued):
  - Painting, drawing, engraving, taking photographs of buildings or including it in a cinematographic film or television broadcast
  - Incidental filming or televising of artistic works
  - Copying sound recordings and films for preservation and archival purposes
  - Filming and recording broadcasts or cable program for private or domestic use
  - Sound recordings, cinematographic film, broadcasts and cable program not infringed if used in a course of instruction
  - Acts done for purposes of examination – setting questions or answering questions

## MORAL RIGHTS

“Everyone has the right to the protection of the *moral* and material interests resulting from any scientific, literary or artistic production of which he is the *author*.”

Article 27(2) of the Universal Declaration of Human Rights



## MORAL RIGHTS

- > The right to be named as author of a work
- > Right to prevent false attribution
- > Right of integrity
  - The right to prevent altered work being represented as unaltered work

## COPYRIGHT AND FRANCHISING

- > Copyright protects many subject matter important in franchising
  - Operations Manual
  - Trade Mark
    - sometimes trade marks not registrable, so copyright protection is important
- > Need to pay close attention to ownership
  - Are any works outsourced to third parties?
  - Was there any assignment?
  - Are third parties' work acknowledged?
- > Need to register in certain countries before enforcement is possible

## LAW OF CONFIDENTIALITY / TRADE SECRETS

## CONFIDENTIALITY / TRADE SECRETS

- > Protection under common law
  
- > Certain kinds of information protected by statutes:
  - Official Secrets Act (Cap 213)
  - Statutory Bodies and Government Companies (Protection of Secrecy) Act (Cap. 319)
  - and others

Example

## CONFIDENTIALITY / TRADE SECRETS

- > Information protected as long as the following elements are satisfied:
  - Information has the quality of confidence
  - Information was disclosed under obligation of confidence
  - There was unauthorised use (and detriment)

## CONFIDENTIALITY / TRADE SECRETS

- > Information has necessary quality of confidence
  - Information is not in the public domain - not common knowledge
  - Individual elements constituting the confidential information can be in the public domain, as long as the idea as a whole is not
  - Type, character and simplicity of the idea is irrelevant; scope of information protected potentially very broad
  - Does not need to be reduced into writing; but must be sufficiently developed and objectively certain

## CONFIDENTIALITY / TRADE SECRETS

- > Information was disclosed under obligation of confidence
  - Did the recipient know that he is under a duty of confidentiality?
  - Did the discloser intend for the recipient to hold the information in confidence?
  - What were the circumstances surrounding the disclosure?
  - Issue for big corporations if they routinely receive unsolicited “confidential” information
  - A good practice is therefore to use “cleanroom techniques” e.g. isolate the mailroom personnel from the other parts of the organization
  - Indirect recipients are also caught as long as they are infected with the knowledge or constructive knowledge that the information was confidential

## CONFIDENTIALITY / TRADE SECRETS

- > Unauthorised use (and detriment)
  - Subconscious use of confidential information may also be caught
  - Use or disclosure for unauthorised purposes will be prohibited

## TRADE SECRETS AND EMPLOYEES

- > Differences during and after the contractual term of employment
- > During the contractual term:
  - Employment contract
  - Parallel implied duty of good faith and fidelity to the employer
- > After the contractual term:
  - Conflict with the right of the employee to work with his acquired skills
  - Only obvious, distinct trade secrets belonging to the employer are protected

## NON-DISCLOSURE AGREEMENT (“NDA”)

- > Non-disclosure agreements:
  - Establishes that the obligation of confidentiality is owed to the disclosing party
  - Can also be used to set out what constitutes confidential information with more clarity (e.g. marking requirements, a subset of “top secret” information protected to a higher degree etc.)

## NON-DISCLOSURE AGREEMENT (“NDA”)

- > Definition of “confidential information”
  - The scope of information covered by Agreement must be sufficiently certain
    - Describe what information is confidential
    - Oral communication must be reduced to writing
    - Specific marking requirements)
  - Nevertheless, a balance needs to be drawn: such inhibitions may not foster discussion; some disclosing parties are anxious about committing their confidential information to print
  - Whatever criteria is adopted, it should always be clear and unambiguous

## NON-DISCLOSURE AGREEMENT (“NDA”)

- > Receiving party’s undertakings:
  - Define party carefully
    - recipient company?
    - person receiving information?
  - State what recipient can do with the information
  - State the recipient’s obligations upon the termination of the purpose of the NDA?
    - return information
    - destroy information
  - What are the recipient’s obligations if he needs to disclose the obligation to others?

## NON-DISCLOSURE AGREEMENT (“NDA”)

### > Receiving party's undertakings (cont'd)

- There is also usually a clause stating that employees of recipient will only be given access to the confidential information on a 'need to know' basis
- A more anxious disclosing party may procure individual employees to sign the NDA before being given access, or may demand that the recipient should provide the names of the employees who have been given access
- Often, there is an obligation not to make copies of confidential documents

## NON-DISCLOSURE AGREEMENT (“NDA”)

### > Termination

- Usually immediate upon notice being given

### > Duration

- The right to use the information will end on expiry of the NDA but the obligation of confidentiality continues
  - for the agreed duration e.g. 3 to 5 years
  - Until such time as information is in public domain

## CONFIDENTIALITY AND FRANCHISING

- > Franchisors' trade secrets
  - business operations
  - customer lists
  - suppliers
  - pricing
  - training aspects
  
- > Trade secrets / confidentiality information must be protected
  - prior to disclosure to franchisee e.g. NDA
  - in Franchise Agreement

## GEOGRAPHICAL INDICATIONS

- > Geographical Indications Act (Cap 117B) came into force on 15 January 1999
  - Geographical Indications are names or signs used in trade to identify a good or product as originating from a place, where a given quality, reputation or other characteristic of that good or product is largely attributable to its geographical origin eg. "CHAMPAGNE", "SCOTCH WHISKY", "CHEDDAR CHEESE"
  - Protection given to national of a country which is a member of the WTO, or a party to the Paris Convention
  - Protection:
    - No registration procedure
    - Prohibits the use of misleading geographical indications
    - Prohibits the registration of misleading geographical indications as trade marks
    - Prohibits the use of geographical indications which constitute unfair competition under the Paris Convention



## LAYOUT DESIGNS OF INTEGRATED CIRCUITS

- > Layout Designs of Integrated Circuits Act (Cap 159A) came into force on 15 February 1999
  - Protection given to all independently created layout designs even if identical with another
  - No registration or deposit required
  - Layout design qualifies for protection if it is original and not commonplace
  - Protection granted for 10 years if it is commercially exploited with 5 years of creation
  - Owner has the right to use the layout design and to exploit it
  - Prove ownership in Court by way of affidavit when seeking to enforce rights
  - Evidence of ownership may be challenged

## PLANT VARIETIES

- > The Plant Varieties Protection Act came into force in 2004
- > Grants protection to plant varieties which are
  - new
  - distinct from other plant varieties
  - stable in characteristics
  - uniform
- > Owner may stop others from producing the plant variety, offering it for sale, export or stocking the plant for any of such purposes
- > Term of protection is 25 years, provided fees are paid annually

## THANK YOU

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