



# WIPO Regional Workshop for the Least-Developed Countries of Asia and the Pacific Region on the Use of Intellectual Property for Enhancing Economic Competitiveness and Development

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## TOPIC

The IP System and the Competitiveness of National Enterprises and Industries:  
Sharing of Country Experiences on Challenges and Opportunities

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# OUTLINE



- i. INTRODUCTION (Overview)
- ii. MEMBERSHIP AND AFFILIATIONS
- iii. ENTITIES AND ASSOCIATIONS
- iv. EXPORT-IMPORT STATISTICS
- v. BHUTAN'S TRADING PARTNERS
- vi. SOME ENTERPRISES & INDUSTRIES
- vii. INTELLECTUAL PROPERTY IN LOCAL E & I
- viii. CHALLENGES
- ix. OPPORTUNITIES
- x. CONCLUSION

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## INTRODUCTION



- Bhutan; Least Developed Country
- Industrial growth started after 1961
- Manufacturing industry ; *cement, wood/particle board, carbide & chemical, Ferro alloys and agro products, etc.*
- Small and medium enterprises; *IT, tourism, hotels, cultural industries, film industry, etc.*
- Net Importer country
- Small and medium enterprises constitute 98% of Bhutan's private sector (2007)
- Strong commitment from the government for the private sector development

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# MEMBERSHIP AND AFFILIATIONS; promoting domestic enterprises and industries



## TRADE AGREEMENTS

### a) Bilateral

- *India and Bangladesh*

### b) Regional

- *South Asian Association for Regional Cooperation (SAARC);*
- *SAFTA (2004), and SATIS (2010)*
- *BIMSTEC (2004)*

## OTHERS

Member of WIPO (1994)

Member of UNWTO (2003)

## AFFILIATIONS

- *SAARC Chamber of Commerce & Industry (SCCI);*
- *Federation of Indian Chambers of Commerce & Industry (FICCI);*
- *Confederation of Indian Industries (CII) &*
- *South Asia Business Forum (SABF)*

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# ENTITIES & ASSOCIATIONS involved in the development of Enterprises and Industries



## 1. Ministry of Economic Affairs (MoEA) :

- a) Intellectual Property Division
- b) Department of Industry
- c) Department of Trade
- d) Department of Cottage & Small Industries



## 2. Bhutan Chamber of Commerce and Industry (BCCI)



## 3. Tourism Council Of Bhutan (TCB)



## 4. Association of Bhutanese Industries (ABI)



## 5. IT Association of Bhutan (ITAB)



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## Entities & Associations ...contd.



6. Association of Bhutanese Tour Operators (ABTO)



7. Motion Picture Association of Bhutan (MPAB)



8. Hotel Association of Bhutan (HAB)

9. Handicraft Association of Bhutan (HAB)



10. Ministry of Labour and Human Resources (MoLHR)

a) Entrepreneurship Promotion Services



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## TOP TEN TRADING COUNTRIES WITH BHUTAN (2010)



IMPORTS		EXPORTS	
COUNTRIES	Value in Nu.(Million)	COUNTRIES	Value in Nu.(Million)
INDIA	29329.11	INDIA	15589.43
SOUTH KOREA	2004.70	HONGKONG	2188.29
THAILAND	988.10	BANGLADESH	906.08
SINGAPORE	903.04	JAPAN	132.47
JAPAN	845.11	NEPAL	39.68
CHINA	611.03	SINGAPORE	19.60
NEPAL	585.50	ITALY	15.47
INDONESIA	567.69	USA	7.59
SWEDEN	550.30	THAILAND	4.67
GERMANY	362.01	TAIWAN	2.91

Source: BACS, DRC,  
MoF

MoEA



**Top 10 Commodities Exported to India for the Year: 2010** Source: BACS, DRC, MoF

Sl.No	Commodities	Export Value (Nu.)
1	Ferrous-Silicon	5,471,292,980.00
2	Other minerals	1,723,883,028.00
3	Of Calcium	965,824,126.00
4	Portland Pozzolana cement	813,233,155.00
5	Manganese and articles thereof, including waste an	765,612,800.00
6	Bars and rods of iron or non-alloy steel, twisted	738,701,845.00
7	Ingots	595,055,232.00
8	Portland slag cement	478,828,370.00
9	Of Silicon	449,766,865.00
10	Dolomite, not calcinated or sintered, Chips	414,547,674.00
	Others	3,172,680,824.00
	<b>Total</b>	<b>15,589,426,899.00</b>

**TOP TEN EXPORT TO COUNTRIES OTHER THAN INDIA IN 2010**

Source: BACS, DRC, MoF

Sl. No.	Commodity	Value in Nu. (Million)
1	Machinery and Mechanical Appliances: Electrical Equipment, Parts thereof; Sound Recorders and Reproducers, Television Image, sound recorders and reproducers and parts and accessories of such articles.	2146.00
2	Vegetable Products	554.89
3	Mineral Products	408.79
4	Base Metals and Articles of Base Metal	190.84
5	Prepared Food Products; Beverages, Spirits and Vinegar; Tobacco and Manufactured Tobacco Substitutes.	17.43
6	Works of Arts, collectors' pieces and antiques	1.94
7	Miscellaneous Manufactured Articles	1.16
8	Pulp of wood or of other fibrous cellulosic material: Recovered(waste and scrap)paper or paperboard: paper and paperboard and articles thereof	0.94
9	Products of the Chemical or allied Industries	0.56
10	Animal and vegetable fats and oils and their cleavage products:prepared edible fats;animal or vegetable waxes	0.20

# SOME ENTERPRISES AND INDUSTRIES IN BHUTAN

(source©ABI)



## 1. Agro-Based Industries

Name of Industry	Activity	Location
Bhutan Fruit Products Ltd.	Fruit processing and vegetable product	Samtse
Bhutan Agro Industries	Fruit processing and vegetable product and MS water	Wangchuk Taba, Thimphu
Penjola	Fruit processing	Bathpalathang, Bumthang
Army Welfare Project	Liquor	Samtse, Gelephu & S/Jongkhar
Bhutan Aromatic & Phytichemical	Lemon Grass Oil	Kurizampa, Mongar
Bhutan Brewery Pvt.Ltd.	Beer (DRUK 11000)	Pasakha,Chukha
Bhutan Dairy and Agro Products Ltd.	Dairy.	Phuentsholing,Chukha
Bhutan Fruits Products Ltd.	Fruit/ Vegetable Products	Samtse.
Kenpa Pvt. Ltd.	Vegetable Oil.	Pasakha,Chukha.

## 2. Forest based products



Name of Industry	Activity	Location
Bhutan Board Products Ltd.	Plain and Laminated board and RTA Furniture	Dala, Chhukha
Wood Craft Centre	Furniture production and sale	Langjophakha, Thimphu
Lhaki Wood Industries	Ply Wood Products	Gelephu, Sarpang
Bhutan Packaging Industry.	Block Boards / Knockdown Furnitures.	Phuentsholing,Chukha
Bhutan Wood Panel Industry.	Card Board.	Phuentsholing,Chukha



### 3. Mineral Based Industries

Name of Industry	Activity	Location
Bhutan Carbide and Chemicals Ltd.	Calcium Carbide	Pasakha, Chhukha
Bhutan Ferro Alloys Ltd.	Ferro silicon, Micro silicon	Pasakha, Chhukha
Druk Cement Pvt. Ltd.	Cement	Pasakha, Chhukha
Druk Plaster and Chemical Ltd.	Plaster of Paris	Pemagatshel
Bhutan Gypsum Products	Plaster of Paris	Pemagatshel
Penden Cement Authority Ltd.	Cement	Gomtu, Samtse
Lhaki Cement	Cement	Gomtu, Samtse

### 4. Other industries



Name of Industry	Activity	Remarks
Tourism	International tourists	Regulated by TCB
Hotels	Mostly international tourists	*** monitored by TCB
Information Technology	Sales and services	72 members of ITAB
Film and Music	Production and sale	MPAB
Cultural	Performances	Caters to important events
Arts and Handicraft	Preservation, promotion and Sales	For local and tourists
Confectionery & Bakeries	Production and sales	Domestic market
Animal feeds	Production and sales	Domestic market
Carpet	Production and sale	Domestic and foreign markets

## Location of major industries



## INTELLECTUAL PROPERTY IN LOCAL ENTERPRISES AND INDUSTRIES



### ► Gradual development in IP awareness

#### 1. Local **Trademark (R)/(TM)** filing started in 1997

- Eg. Names & logos of enterprises .  
(class 30 , 16, 35, 38)

#### 2. First **Industrial Design** application made in 2009

- For furniture
- Badges





3. Queries for **Patent** procedures/criteria made since 2005 (agricultural machineries, mass cooking electric stove)

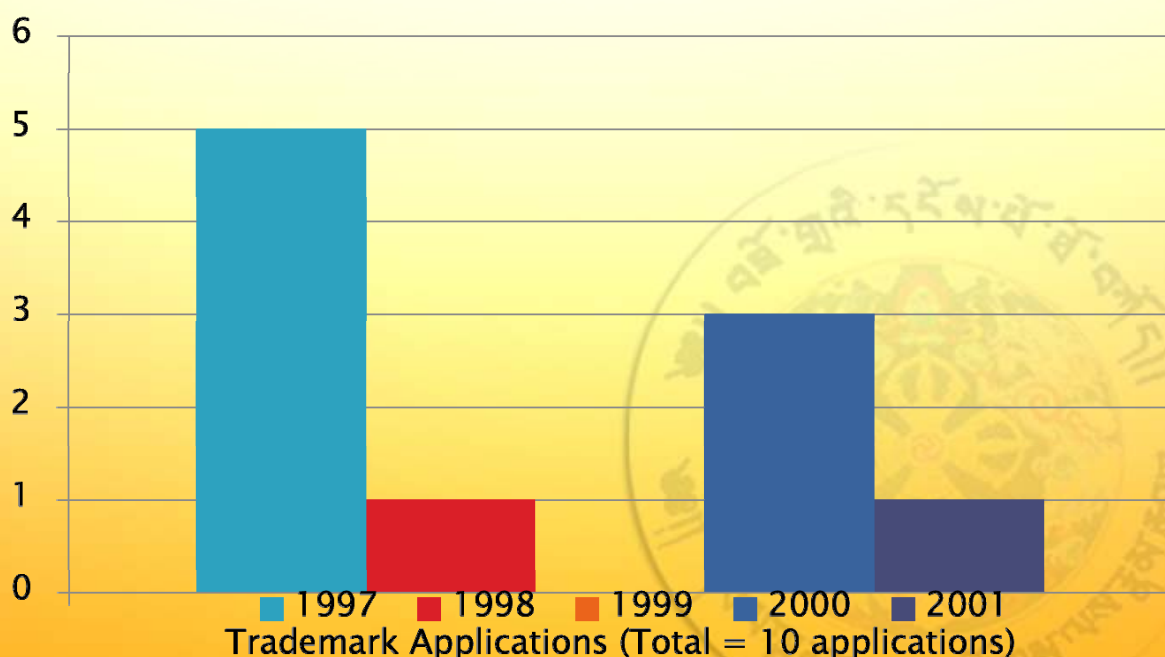
4. First Patent accepted by the IPD in 2009  
-Electrical

5. The MPAB actively persuades the enforcement **Copyright (c)** laws by the agencies

- Some copyright cases forwarded to the court
- Keeps vigil to check pirated copies of the local films and music

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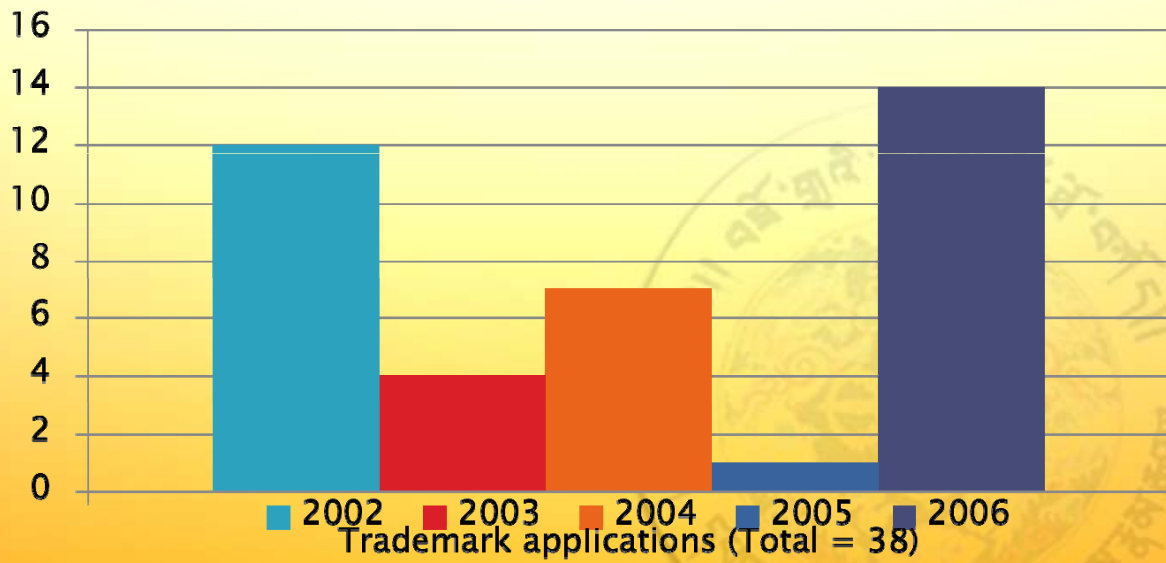
## Local Trademark statistics (1997-2001)



Trademark Applications (Total = 10 applications)

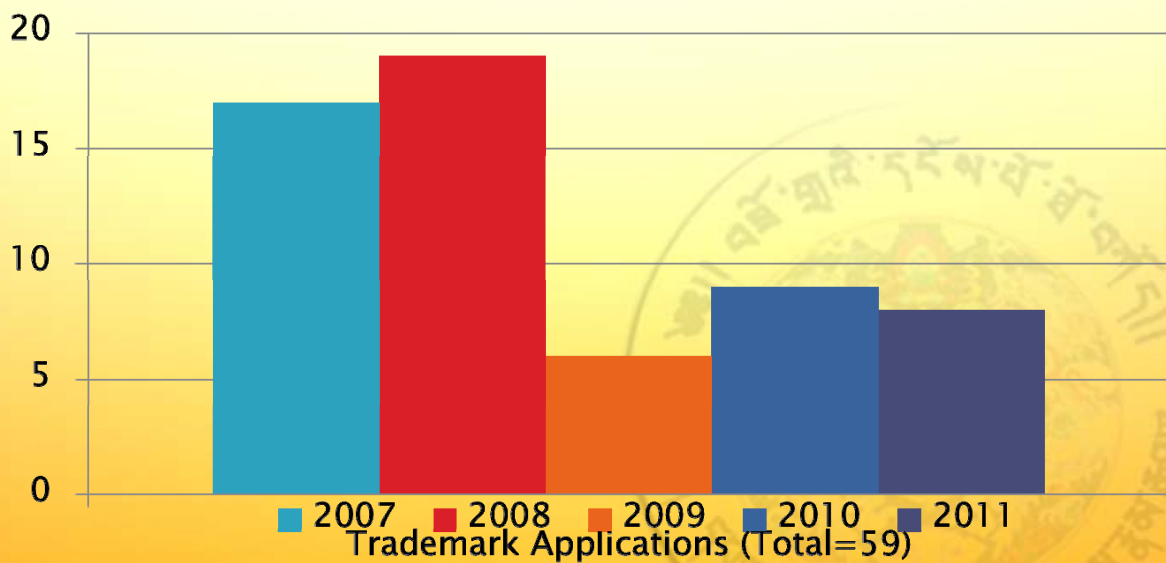
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## Local Trademark applications filed (2002–2006)



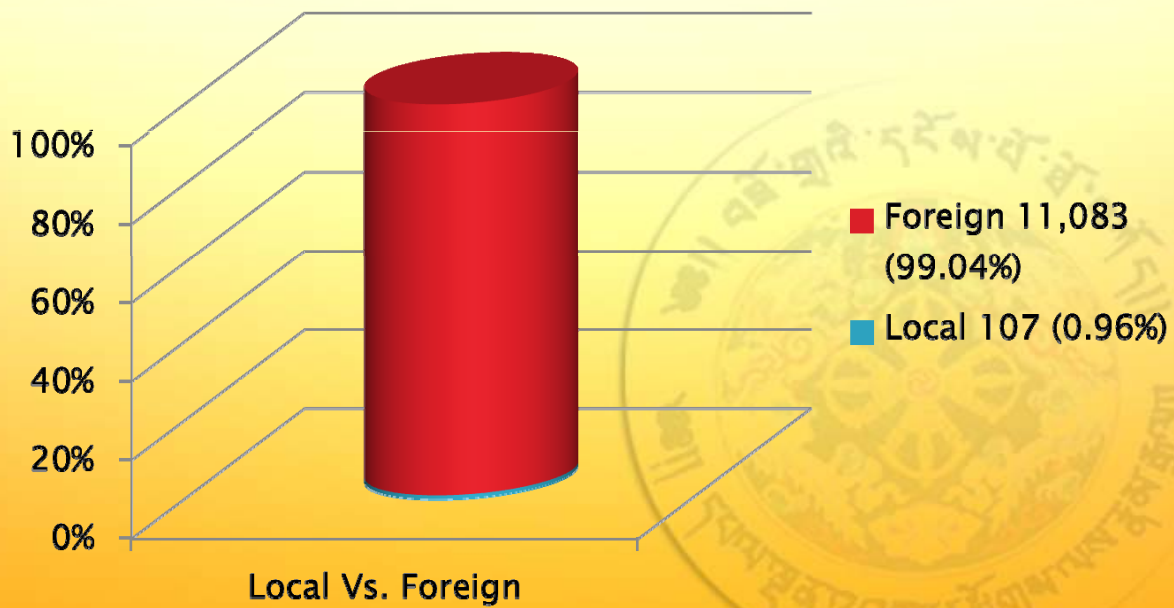
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## Local Trademark applications filed (2007–2011)



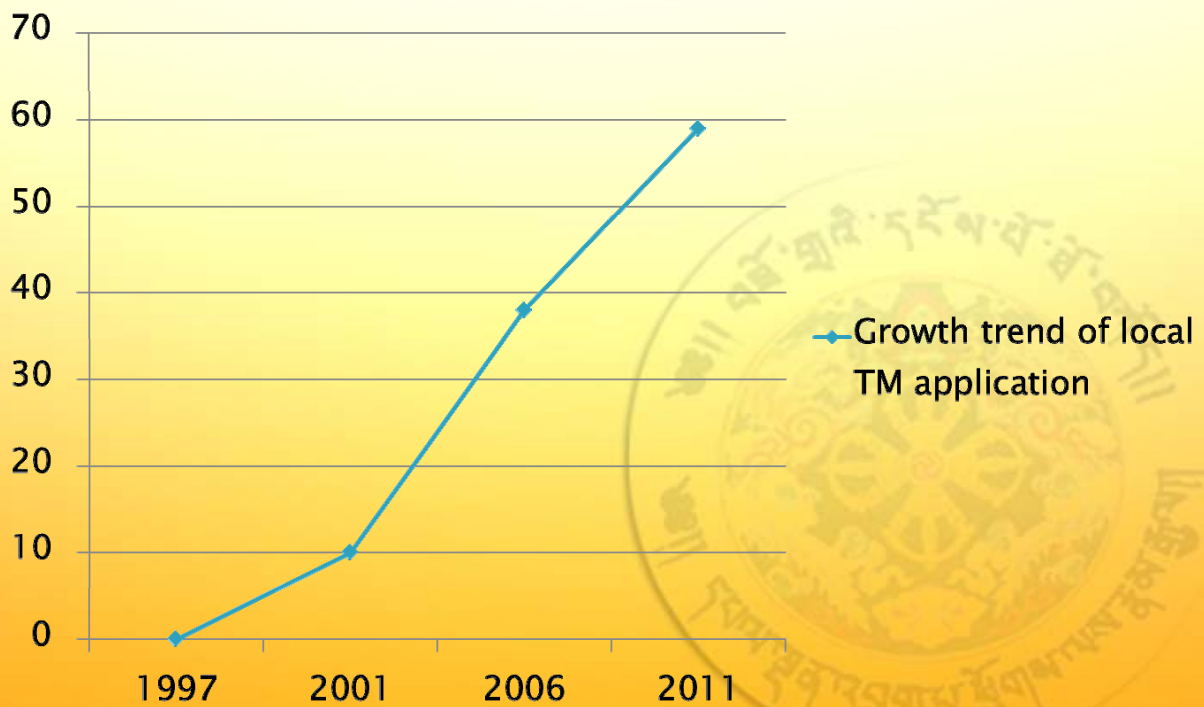
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# Foreign Vs. Local trademarks registered in Bhutan (1997-2011)



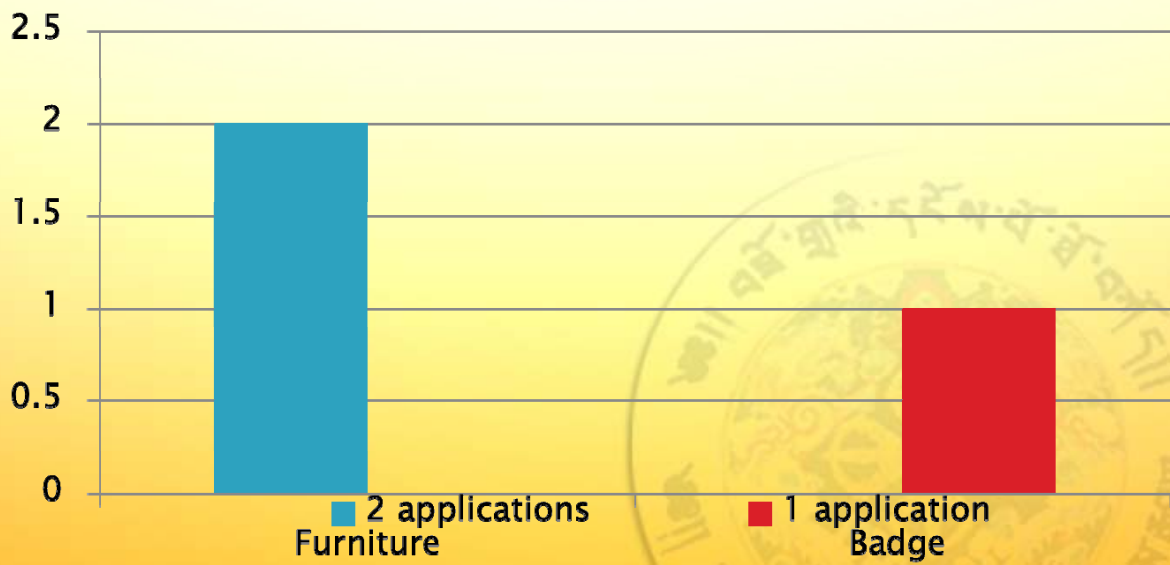
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## Growth trend of local TM application



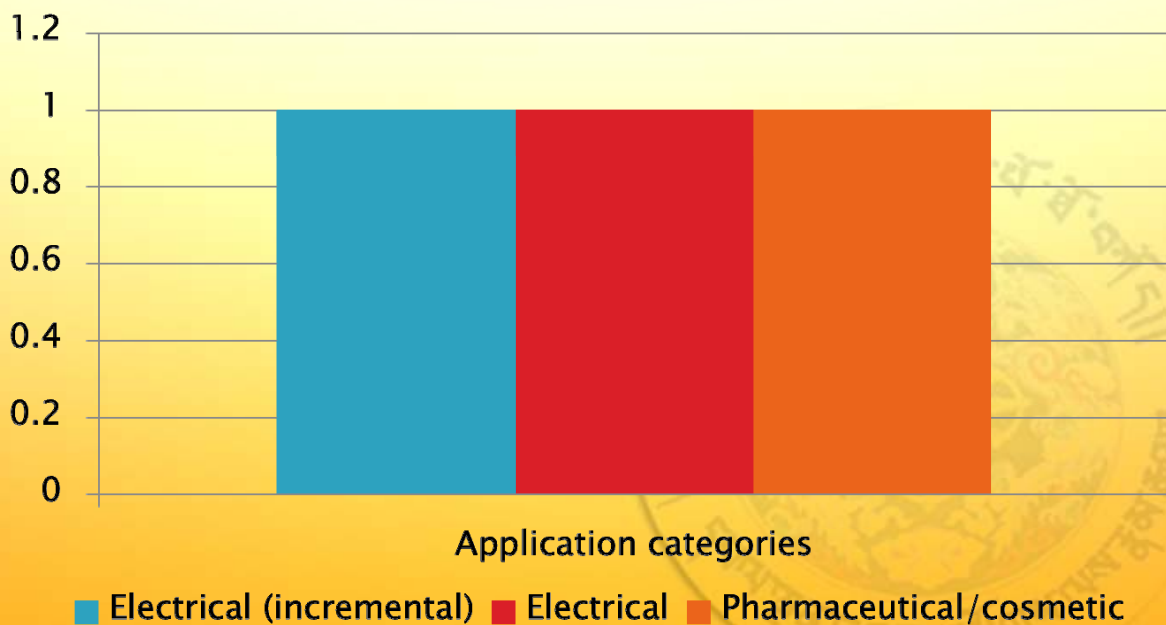
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# Local Industrial Design Statistics (Since 2009)



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# Local Patent statistics (Since 2009)



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## INTELLECTUAL PROPERTY SCENARIO IN ENTERPRISES/INDUSTRIES IN BHUTAN; Challenges



- ▶ Most Industries/enterprises use trademarks and logos as a business identifier (easily created and widely used form intellectual property)
- ▶ Few legal personnel are employed (internal IP units non-existent)
- ▶ Comparatively less resources are allotted for HR development (almost none for IP expertise)
- ▶ Enterprises engaged in extraction and sale of raw materials and see no need for innovation
- ▶ Some enterprises see relationship as a top priority than innovation
- ▶ Most enterprises are not aware of the existence of Intellectual Property Division and have never sought any assistance relating to any IP matters.

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## OPPORTUNITIES



1. **STRONG LEGAL FRAMEWORK**
  - Constitution of the Kingdom of Bhutan (Article 7 Sec.13 &14)
  - Industrial Property & Copyright Acts, (2001)
2. **STRONG LEADERSHIP** with the GNH Development Philosophy
  - (Good governance; DPT manifesto 1.1.2 Accessing innovative technology and global markets)
3. **Moderate EDP & FDI POLICY** (2002 & 2010); 100% land ownership for some activities
4. **Rich NATURAL RESOURCES** (air, water, minerals, forest etc.)
5. **Increasing number of EDUCATED WORKFORCE**
6. Some enterprises are ready to invest on **INNOVATION** to develop their firms
7. **Blooming INFORMATION AND MEDIA SERVICES** for a small population; effective advertising and information dissemination
8. **Potential FOREIGN MARKETS** in the neighborhood

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## CONCLUDING REMARKS from Enterprises & Industries



- a) Need for exhaustive and extensive awareness campaign on IP System for Enterprises/Industries ( by IPD, Media etc..)
- b) Need hands-on assistance and advice from IPD on IP matters (development and registration of their IPRs)
- c) Need for an Innovation Promotion Board/Institute
- d) Introduction of IP curriculum at Middle & High Secondary Schools (an elective subject)
- e) Develop in-house but mobile IP promotion and advisory unit in the IPD

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THANK YOU  
for your kind attention



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