



  
SPRUSON & FERGUSON  
25 YEARS IN ASIA

**CELEBRATING**  
**25 YEARS IN ASIA**

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SPRUSON & FERGUSON  
25 YEARS IN ASIA

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# A WELCOME FROM OUR LEADERS

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Welcome to our Spruson & Ferguson 25 years in Asia Report.

Over the past quarter of a century, we have seen significant change and developments in both the Intellectual Property (IP) landscape and the markets in which we operate. To mark this milestone, we have combined our experience, insights, industry research and data to report on notable trends and influences on the future of IP in the region.

Back in 1997, our successful Australia-based operation identified an opportunity to establish a footprint in Asia, recognising the importance of establishing a physical presence to demonstrate our commitment to the region. There were some challenges early on to achieve growth and scale, and to navigate the cultural aspects as we built our business in Singapore and then later expanded our footprint into Greater Asia.

Our practice has undergone many evolutions over time, including partnerships and mergers with local firms, as we built up our practice and expertise to respond to changing market conditions. Shifts, including the adoption of international treaties and factors such as globalisation and trade pressures meant local governments have increased efforts to implement and harmonise IP laws to an international standard. More countries in the region have joined the PCT (Patent Cooperation Treaty), increasing the ease of filing and hence the number of filings. Consolidation in Southeast Asia and the increasing investment from China in innovation, particularly in the technology space has driven recent growth. Data and trends signify that this will continue as practice in the region continues to mature. We are well-positioned to service this growth.

As our reputation as a trusted provider, our client base and our relationships with our respected partners grew, so too did our operations. Fast forward to today, and we are a well-established IP firm with diverse and regional expertise, established local connections and an enduring commitment to providing unparalleled service to our clients.

I would like to personally thank our clients, partners, and industry, and to acknowledge the calibre and commitment of our team of diverse specialists as we continue to strive to provide unparalleled service in the region and beyond.

Here's to the next 25 years.



A stylized, handwritten signature in black ink, appearing to read 'KR Robinson'.

Kristian Robinson

Managing Director – Asia  
Spruson & Ferguson



"As a business, Spruson & Ferguson has always understood the value of having a local presence in supporting the development of strong relationships and partnerships. The investment we have made in establishing a local presence and expertise in what is now a leading growth region has been a critical part of our success story as a firm."

**Kristian Robinson**

Managing Director – Asia  
Spruson & Ferguson



Spruson & Ferguson Asia is a growth story that has been integral to the success of IPH.

Back in the 1990's, as a well-established Australian-based firm, Spruson & Ferguson recognised the local geographic market was reaching maturity, so we looked further afield to achieve greenfield growth. When we established our Singapore office in 1997 after the introduction of the Singapore Patents Act, the combined strength of our diverse team with strong alliances with local partners, produced an agile business model that enabled us to respond to shifting needs during a period of rapid change.

Across the Asia region, the IP profession has markedly matured over the past decades to become a thriving occupation of highly skilled patent professionals. In recent times, the markets have increasingly been, and will continue to be shaped by, the 'ABCD of technology', with artificial intelligence (AI), blockchain, cloud computing and data all driving innovation and transforming industry. This technology disruption, coupled with the increasing level of wealth in the Asia region, has been a significant contributor to the increase in filings over recent times. We predict this momentum will only continue and are committed to being a part of that growth story through our ongoing investment in the region.

As a broader business, IPH has increased our Australian footprint through acquisition and consolidation showing growth through cost down and expanded into new regions, including most recently establishing our presence in Canada. This network effect remains a big driver in terms of our growth and the opportunities that come with that.

This milestone for Spruson & Ferguson Asia could not have been achieved without collaboration with local industry and government. I would like to take the opportunity to acknowledge the ongoing efforts of our dedicated and experienced team, and the support we have been fortunate to receive from local government, partners, and our clients in Asia.



Dr Andrew Blattman

CEO & Managing Director  
IPH Limited



"Today we have a well-established business of scale in Asia. Market growth in IPH's key Asian jurisdictions increased by a (CAGR) of 16.2% over the 25 years to 2020, mostly driven by growth from mainland China. Growth in these jurisdictions continues into recent years, with a compound annual growth rate (CAGR) of 4.0% over the last five years."



Spruson & Ferguson has progressed from an Australia-focused firm into the premier IP service provider in the Asia-Pacific with over 500 employees providing services from a network of offices throughout the region. As we look ahead to the next 25 years, from an operational perspective, the biggest disruptors to IP operations will likely be a combination of external service providers seeking to digitise and automate some of the more administration-based services such as IP filing, translation services, prior art and clearance searching, renewal services, and so on. An additional threat is the potential centralisation/unification of IP systems on a regional scale by various IP governance bodies. As the IP market is fragmented further by external service-providers of varying reliability and quality, clients stand to benefit significantly from engaging an established full-service firm to centralise the process of procuring their IP rights from start to finish. Spruson & Ferguson is uniquely positioned to service its clients in this way throughout the Asia-Pacific region.

Spruson & Ferguson has been significantly innovative in devising and implementing its “hub model” in Southeast Asia. Our clients have benefited significantly from the firm’s centralised approach to patent filing and prosecution, where all substantive work for a given set of patent filings in the region is conducted in a centralised manner by an attorney in the firm’s Singapore office. The attorney acts as a central point of contact for the client and implements a patent prosecution strategy across the various Southeast Asian countries in which patent applications are pursued. This centralisation of service provides many benefits including an enhanced ability to implement regional IP strategies, and cost efficiencies.

Across the Spruson & Ferguson operations, our clients benefit from our cross-sector knowledge and broad geographic expertise. This is further underpinned by our partnership with IPH, which enables access to a broad knowledge-base across numerous industries and jurisdictions. I look forward to the continued collaboration and growth opportunities that lie ahead for our Asia-Pacific businesses.



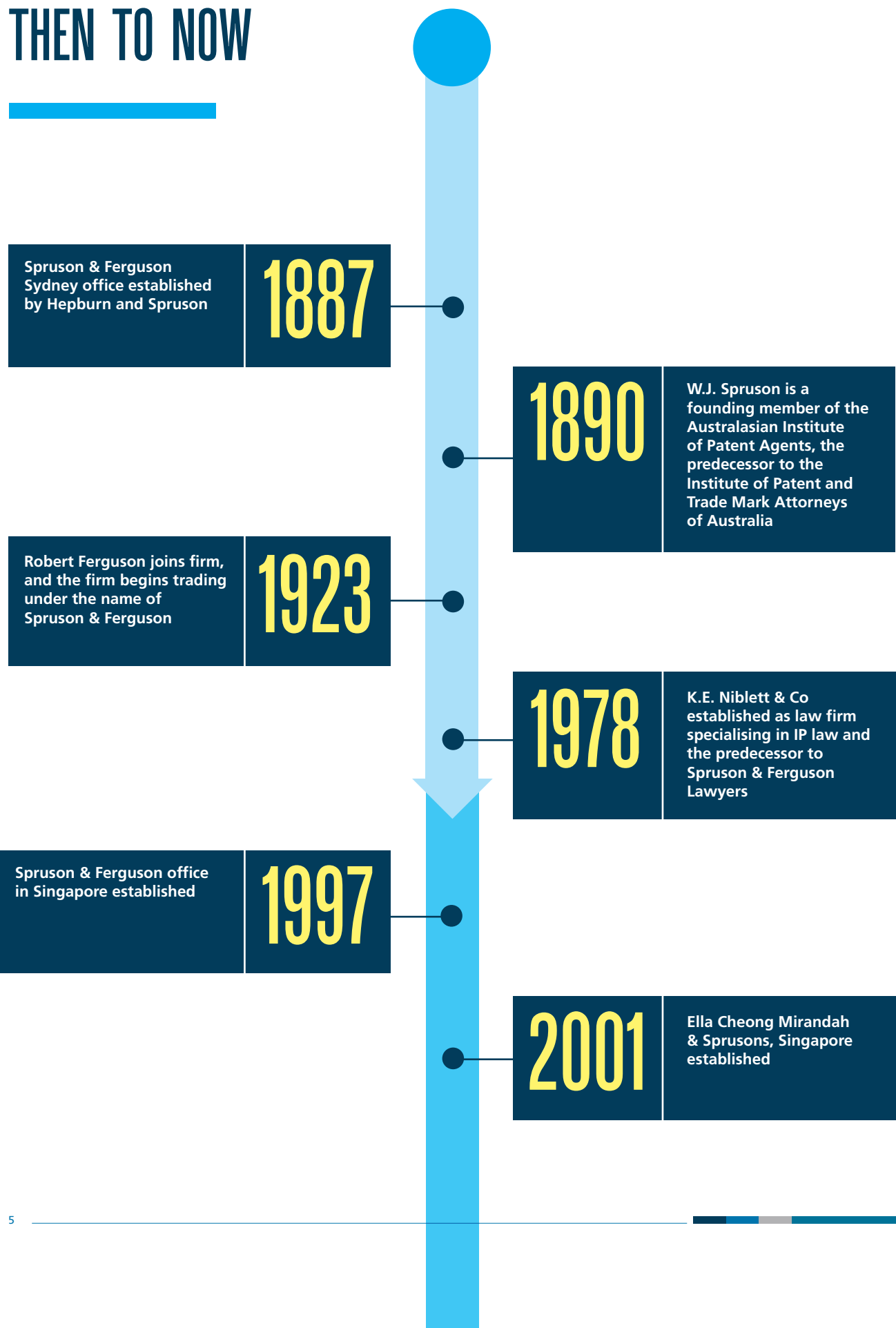
Dr Simon Potter

Managing Director – Australia  
Spruson & Ferguson

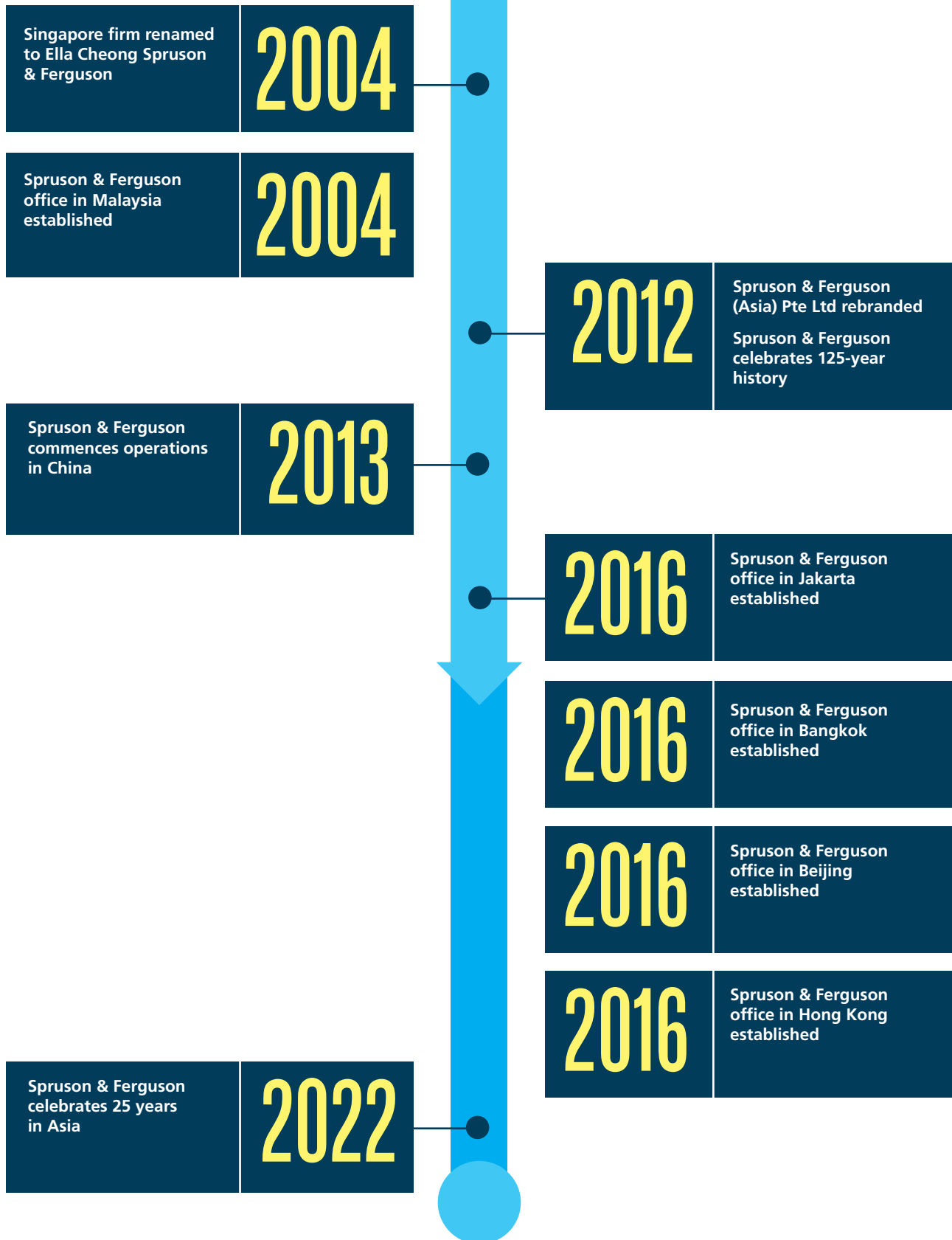


“Spruson & Ferguson has progressed from an Australia-focused firm into the premier IP service provider in the Asia-Pacific. The breadth of service offerings, expertise and cost efficiencies we offer clients is a result of synergies and in the management of IP portfolios and capacity to provide local and international clients with a comprehensive knowledge of IP law and processes across different geographic markets.”

# THEN TO NOW











# THE EVOLUTION OF IP

The landscape and nature of IP has evolved at a rate of knots over the past decades. Historically, IP has been driven first by trade. Policies such as the World Trade Organisation (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), a multilateral agreement in IP, which ensures WTO members the latitude to achieve their domestic policy objectives<sup>1</sup>; and subsequent bilateral and trade engagements have been established in recognition of the increasing importance of IP on local and global trade. Today, we operate in a climate that combines not only that trade focus, but also strategic competition between power nations such as the United States and China. And at the centre of it all – technology with IP is fundamental in providing entities with both protection and competitive advantage.

## SHIFT IN POLICY FOCUS

High level policy focus on IP has increased and spread across wider Asia with China, Southeast Asia and South Asia influencing leaders and their decision-making focuses. This is primarily driven by trade and is causing a rise in bi-lateral trade agreements and heightened level of importance placed on IP to create competitive advantage. As this level of competition increases between super-powers, so does the number of filings particularly for science, technology, biotechnology, and clean energy initiatives.

## TRANSFORMATION OF SERVICE PROVISION

Technology has evolved to change the way we do business with new developments changing the nature of IP service provision. Manual and administration heavy tasks are increasingly automated, and AI-based systems performing tasks such translation, search, classification, and a range of functions that have historically been performed manually.

## CROSS-CULTURAL EXCHANGE

Within the Asia region, an increased flow of trade, cross-cultural exchange and growth in China has been a dominant driver. Impacts such as COVID-19 has caused a growth in Southeast Asia with a population shift to Singapore. The regions are growing and maturing at different rates, necessitating individualised approaches and service offerings.



Policy



Technology



Trade

<sup>1</sup> Ref: World Trade Organization: [https://www.wto.org/english/tratop\\_e/trips\\_e/trips\\_e.htm](https://www.wto.org/english/tratop_e/trips_e/trips_e.htm)

# INDUSTRY INSIGHTS

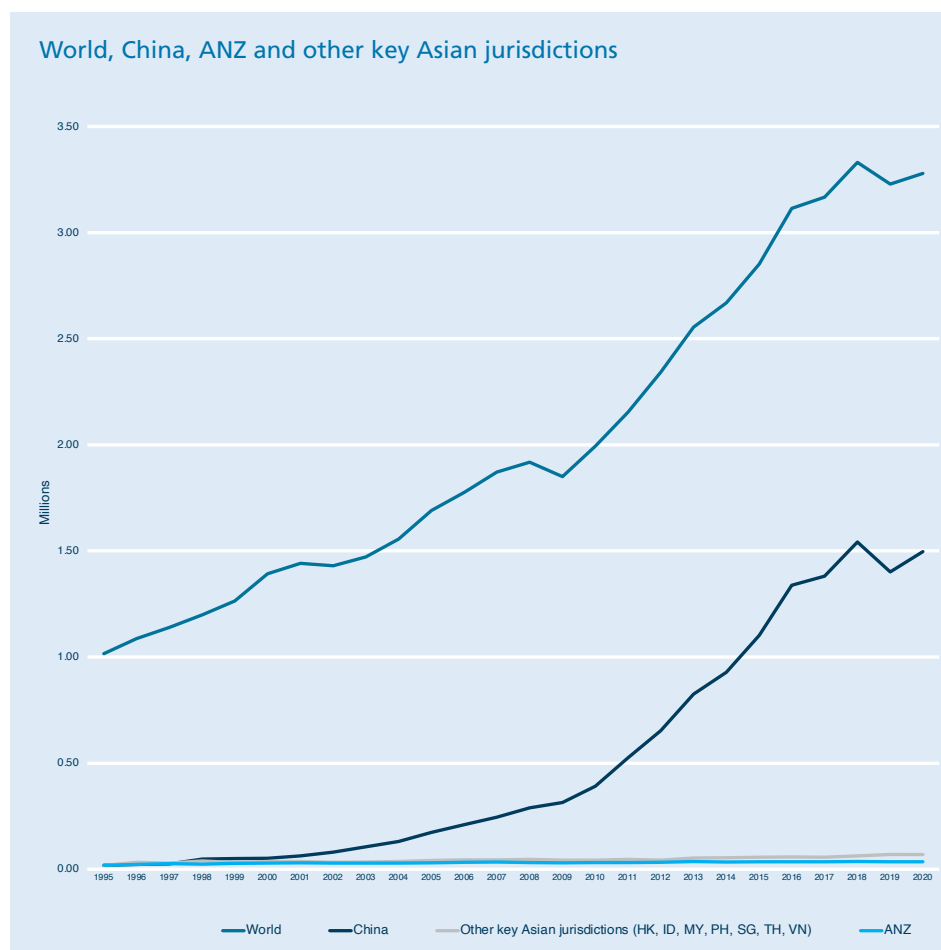
The following section combines data from external sources<sup>2</sup> to provide an overview of global and regional trends and insights on patent and trade mark filings.

## PATENT INSIGHTS

With around 1 million applications filed in 1995, increasing to over 2 million in 2011 and at over 3 million in 2016, the global trend is positive.

### Total patent applications filed globally

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



### Key takeouts:

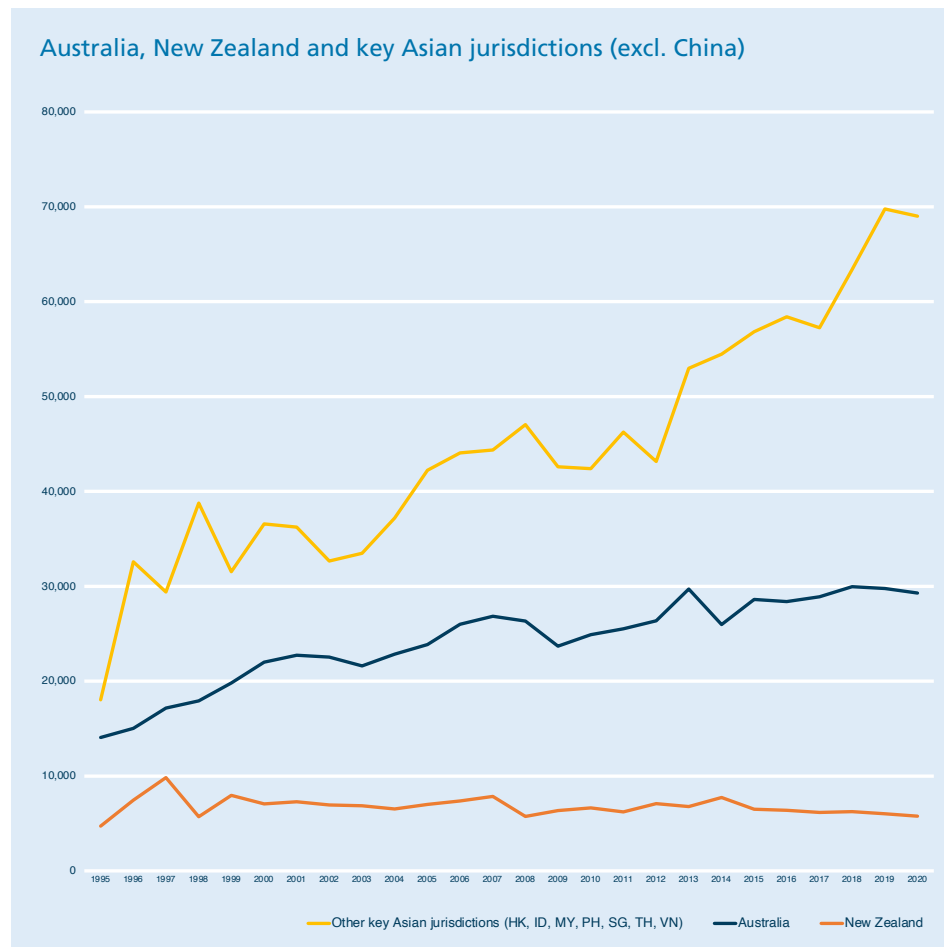
- The latest available data shows that, over the 25 years to 2020, patent applications (direct & national phase entry) increased by a CAGR of 4.8%.
- In the last five years, global patent growth remains steady at a CAGR of 2.8%.
- China showed notable growth of 19.2% CAGR in the last 25 years, and 6.3% in the last five years.
- In 2020, China accounted for 45.7% of total patent applications globally, with these applications mostly filed by Chinese residents.

<sup>2</sup> Note on data: The following pages include quotes, charts and management opinions based on WIPO's World Intellectual Property Indicators report 2021 ([https://www.wipo.int/edocs/pubdocs/en/wipo\\_pub\\_941\\_2021.pdf](https://www.wipo.int/edocs/pubdocs/en/wipo_pub_941_2021.pdf), accessed Oct 22), and data from WIPO's Statistics Data Center. Additional patent family and technology data based on 2021 spring edition of the European Patent Office's PATSTAT database. Gross domestic product and population data are from the World Bank's World Development Indicators database.



### Total patent applications into key IPH jurisdictions in Asia Pacific

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.

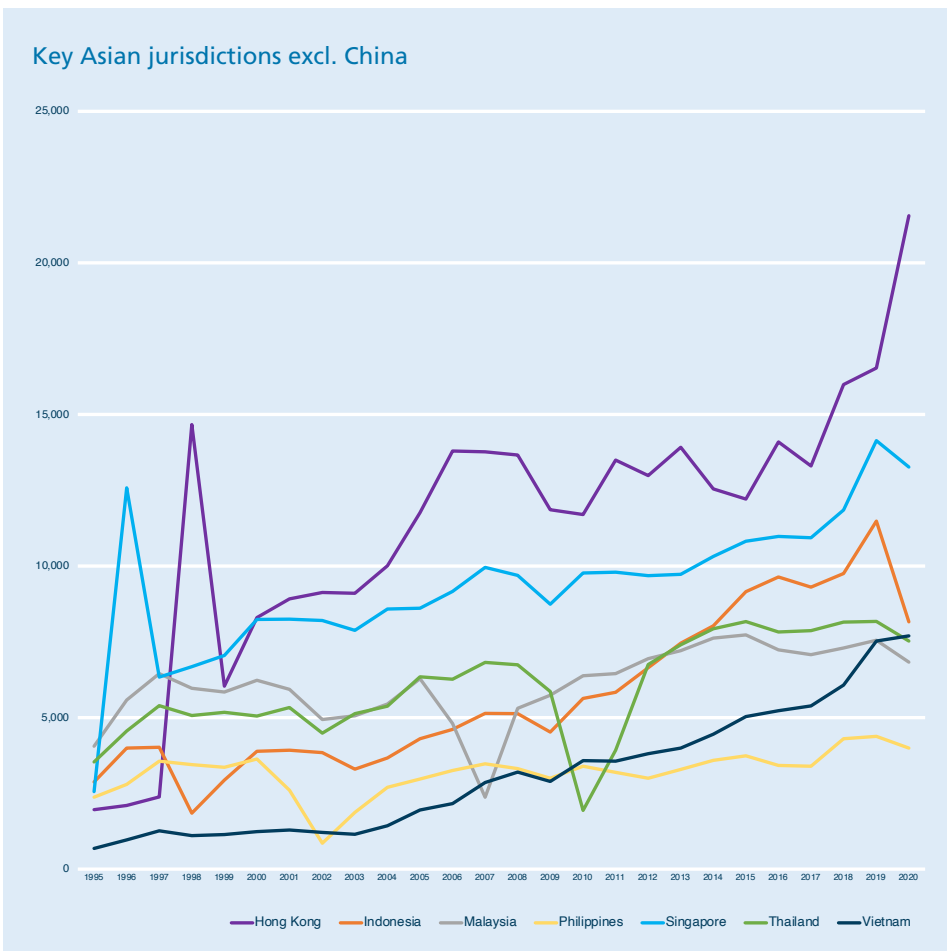


### Key takeouts:

- Australian patent application growth has been mostly stable over the last 25 years at a CAGR of 2.5%, becoming flatter in the last five years (CAGR 0.0%).
- IPH's key Asian jurisdictions, including China, increased by a CAGR of 16.2% over the 25 years to 2020, mostly driven by growth from China.
- Excluding China, IPH's key Asian jurisdictions increased by a CAGR of 5.5% in the last 25 years.
- Growth in these jurisdictions continues into recent years, with a CAGR of 4.0% over the last five years.

Total patent applications into key IPH jurisdictions in Asia (excl. China)

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



Key takeouts:

- Of the key Asian jurisdictions excluding mainland China, notable growth is seen from Hong Kong, increasing from a CAGR of 10.1% in the last 25 years to a CAGR of 12.0% in the last five years.
- Hong Kong growth in 2020 was an increase of 30.4% on 2019.

“While Singapore is an advanced economy with high technology adoption and advancement, relatively speaking the population is smaller and therefore closer to saturation point. Whereas application in places like Indonesia and Vietnam may be similar to that of Singapore, there is up to 40 times the population so are emerging economies with a lot of growth opportunities as the regions become more sophisticated.



I hope to see more growth in smart and open solutions, solving urban or widespread issues. Smart medications customised for patients, or advancements in communication technology to help people interact more meaningfully, such as real time translation for example, so that people can talk to each other without a language barrier.”

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**Le Hong Minh**

Principal, Director Singapore  
Engineering / ICT Leader – Asia  
Spruson & Ferguson

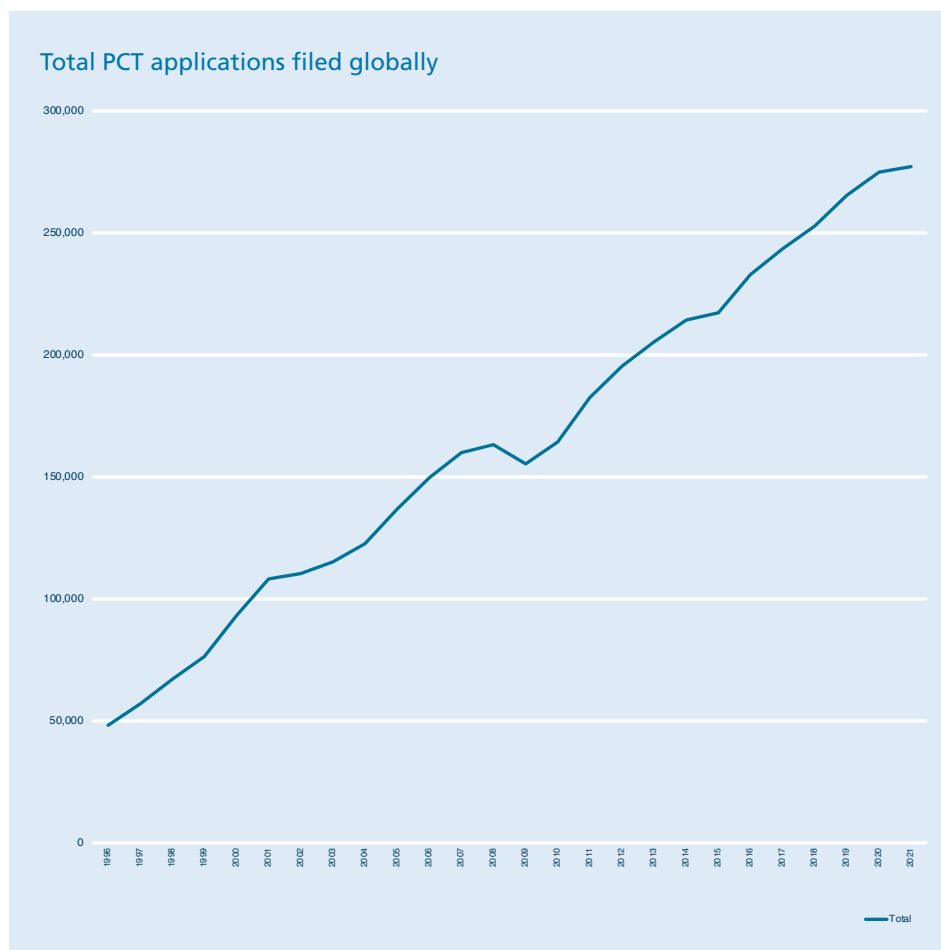


## PCT INSIGHTS

Over the 25 years to 2021, global PCT applications increased at a CAGR of 7.2%, with more than 60% of growth over this period being attributed to Asia.

### Total PCT applications filed globally

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.

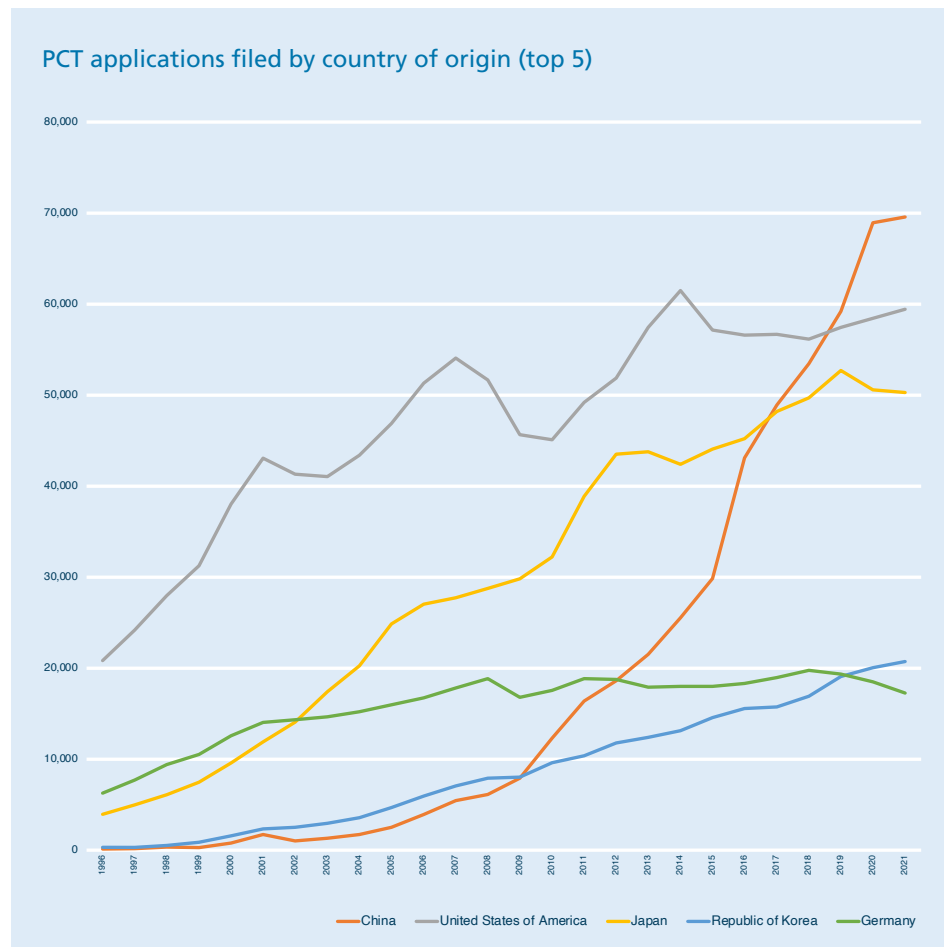


### Key takeouts:

- Latest PCT application data is to 2021. PCTs provide a more current view of filing trends than patent filings (which lag due to timing of National Phase Entry about 12 months later).
- Over the past 25 years, the increase in PCT applications filed was from within the Asia region. China experienced a CAGR of 28.9%, followed by the Republic of Korea (18.4%) and Japan (10.7%). Beyond Asia, the United States of America experienced the next highest increase in PCT application growth by volume, and held a CAGR of 4.3% over the past 25-year period, followed by Germany (4.1%).
- Growth moderated slightly over the last five years yet remains positive at a CAGR of 3.5%.

## Total PCT applications filed by country of origin

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



## Key takeouts:

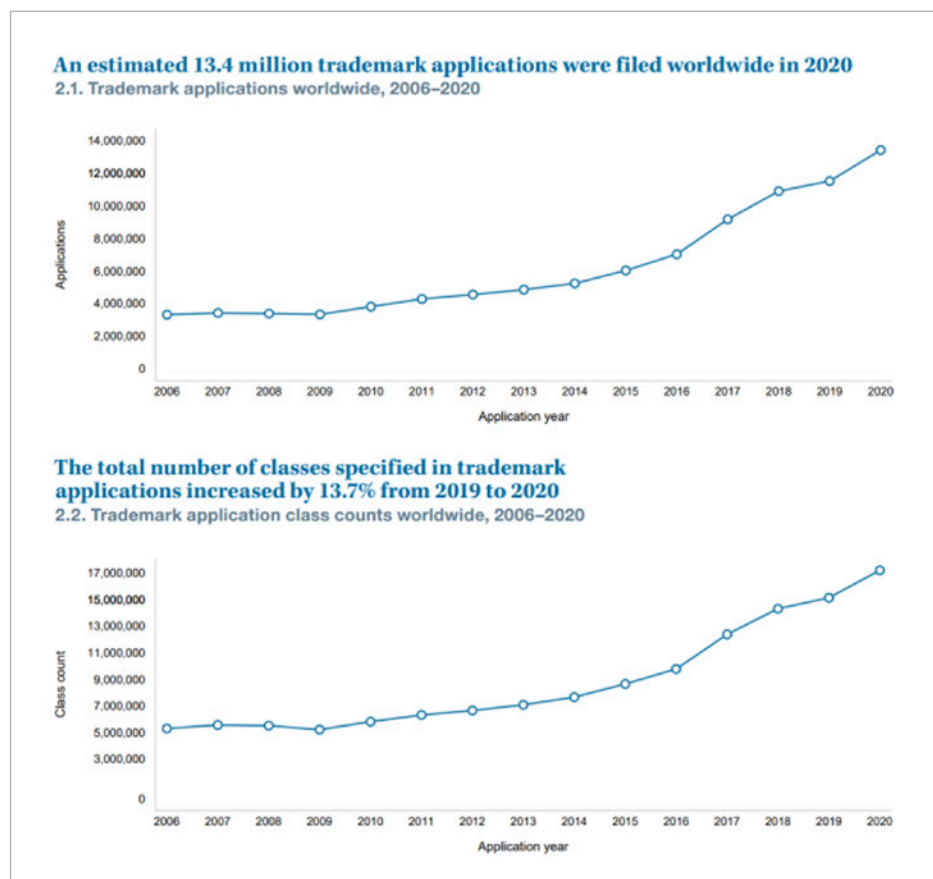
- Chinese residents filed the most PCT applications in 2020 and 2021, surpassing the US.
- China experienced significant growth of 28.9% CAGR over the last 25 years, continuing at 10.1% CAGR in the last five years.
- US PCT applications increased steadily by 4.3% CAGR over the last 25 years.

## TRADE MARK INSIGHTS

Worldwide trade mark applications in 2020 were four times the number filed in 2006, and a 13.7% increase on 2019 by class counts. Consistent with other forms of IP, growth in worldwide trade mark filings (by application class counts) are primarily due to China.

### Total trade mark applications over time

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



### Key takeouts:

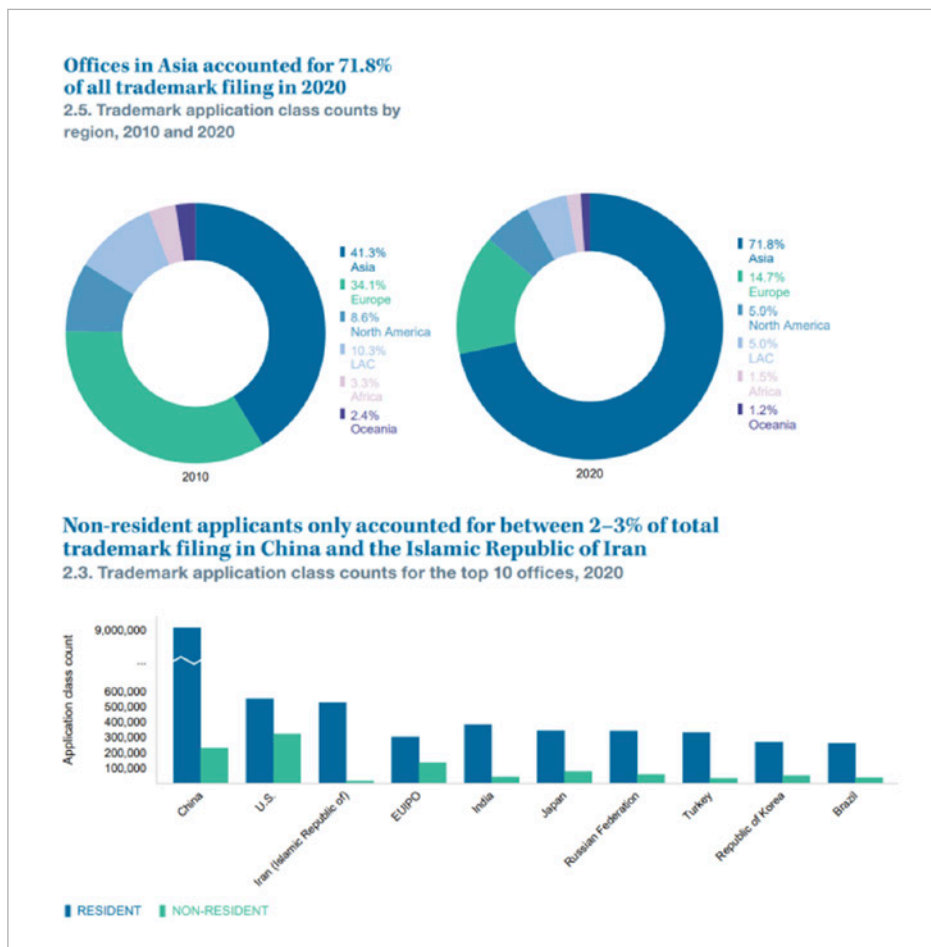
- Worldwide trade mark applications increased by 16.5% in 2020 vs 2019 (increasing approx. 1.9 million applications), despite the onset of COVID-19 and ensuing global economic slowdown.
- 2020 marked the eleventh-consecutive year of increase following the global financial crisis, and a return to double digit growth, up from 5.7% increase in 2019.
- Trade mark classes (a metric harmonising differences in filing systems worldwide) increased by 13.7% in 2020 from 2019.



## Trade mark applications in China

Note to chart: EUIPO is the European Union Intellectual Property Office

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.

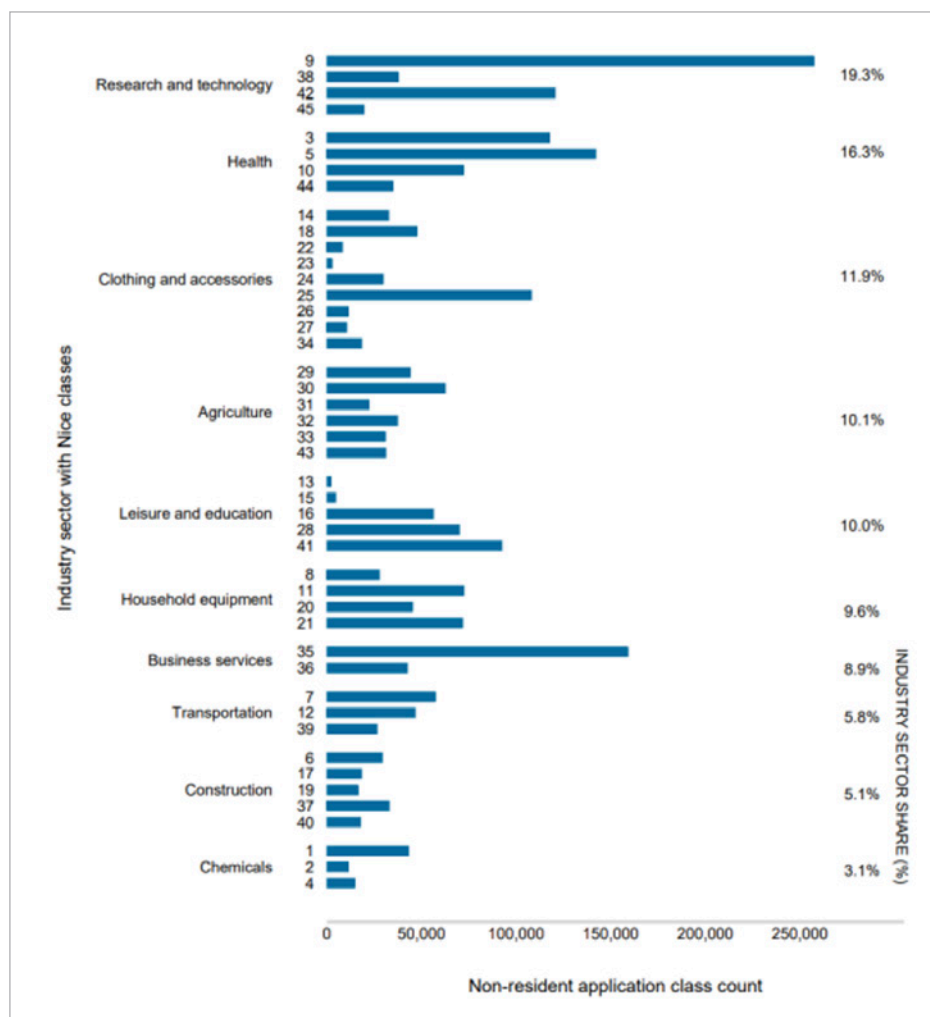


## Key takeouts:

- Consistent with other forms of IP, growth in worldwide trade mark filings (by application class counts) are primarily due to China.
- Offices in Asia accounted for 72% of all trade mark applications in 2020. 10 years earlier, Asia accounted for only 42%.
- China accounted for 73% of the increase in trade mark filings worldwide from 2019 to 2020, up 19%.
- Almost all trade mark filings in China were made by Chinese residents.
- Of the non-resident filings in China in 2020, 22.5% came from US applicants, followed by Japan (12.7%) and the UK (10.5%).

## Trade mark applications by industry sector – Non-resident trade mark applications by industry sector, 2020

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.  
Numbers to left of bars are Nice classifications, grouped by Industry sector.



According to WIPO's grouping of Nice classes into industry sectors, the top sectors for trade mark applications in 2020 included:

- Research and technology, accounting for 19.3% of global non-resident trade mark applications
- Health (16.3%)
- Clothing & accessories (11.9%)
- Agriculture (10.1%)
- Leisure & education (10%)
- Household equipment (9.6%)
- The sectors with the smallest shares of non-resident filings were chemicals (3.1%) and construction (5.1%).

“We are starting to see amazing breakthroughs such as AI painting and other more practical applications of AI tech. I’d expect AI to play a more important role in the IP industry as in all other fields, such as in alleviating workloads especially for more basic work content that doesn’t require human logic or judgement. Theoretically this would mean AI could do a primary draft so experienced attorneys can focus on work that generates higher value for our clients. This has the potential to be a major disruptor.”



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**Dr. Siqi Wang**

Head of Patents – China  
Spruson & Ferguson

# IP TRENDS

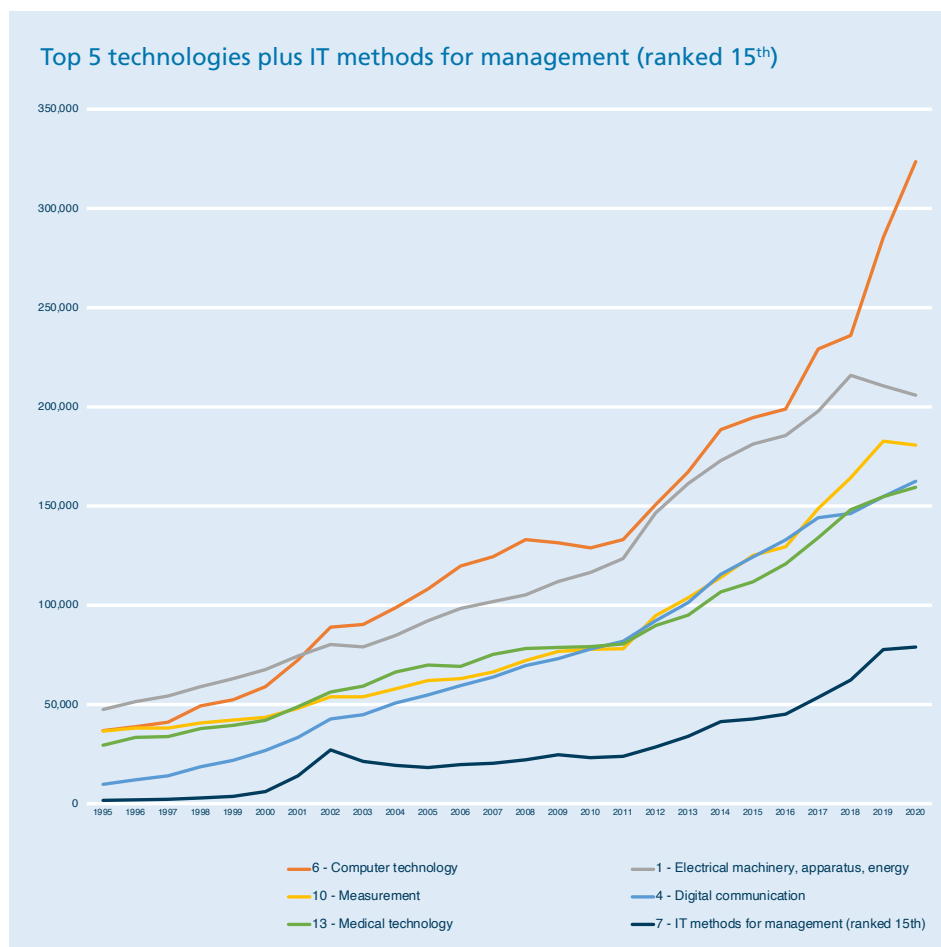
Globally, innovations that are increasingly driving IP and related filings include technology, science and biotechnology and clean energy. This trend is expected to endure supported by the increasing access to and use of technology, global awareness of climate change and changing approaches to research, enabling smaller teams to execute projects that were previously larger-scale endeavours requiring significant funding.

## FOCUS: TECHNOLOGY TRENDS

IPH's key Asian jurisdictions, including China, increased by a CAGR of 16.2% over the 25 years to 2020. This is mostly driven by growth from mainland China with Computer Technology being the top-growth technology field.

### Patents published globally by technology

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



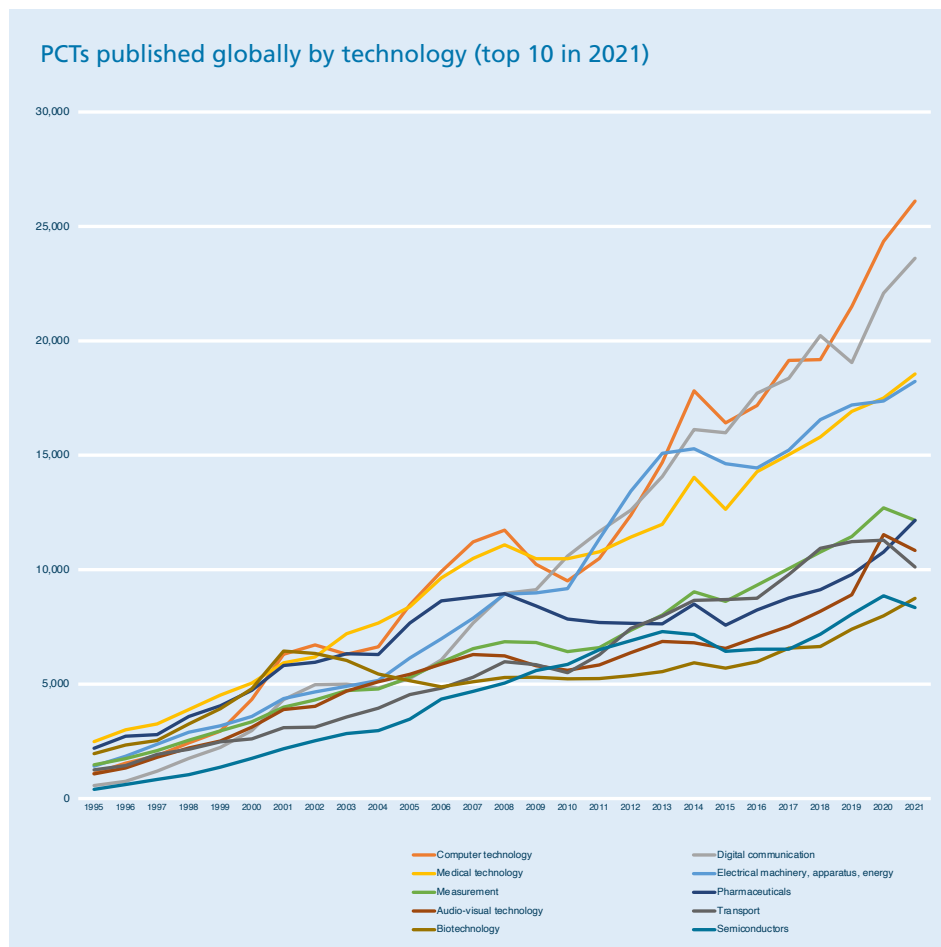
### Key takeouts:

- Computer technology remains the number one technology listed in patent publications with strong, continued growth of 9.1% CAGR for the last 25 years, and 10.7% CAGR for the last five years.
- Though ranked 15<sup>th</sup> in 2020 patent publications, the strongest growth by technology is in the area of "IT methods for management", increasing 16.7% CAGR for the last 25 years and 13.1% CAGR for the last five years.



## PCTs published by technology

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



## Key takeout:

- The top technologies on PCT publications rank similarly to those of patent applications. As with patent applications, the top technology on PCT publications in 2021 is Computer Technology.

### Patents published globally – top 15 technologies

Though ranked 15<sup>th</sup> in 2020 patent publications, the strongest growth by technology is in the area of “IT (Information Technology) methods for management”, increasing 16.7% CAGR for the last 25 years and 13.1% CAGR for the last five years. This may have a correlation to Computer Technology – the number one technology on patent publications.

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.



Technology	2020	CAGR 25 Yr	CAGR 5 Yr
1. Computer technology	323,595	9.1%	10.7%
2. Electrical machinery, apparatus, energy	205,816	6.0%	2.6%
3. Measurement	180,737	6.6%	7.6%
4. Digital communication	162,501	11.9%	5.5%
5. Medical technology	159,456	7.0%	7.3%
6. Transport	139,785	5.7%	5.5%
7. Civil engineering	123,035	4.8%	6.2%
8. Other special machines	118,031	5.0%	5.3%
9. Machine tools	104,275	5.5%	6.1%
10. Handling	99,511	4.5%	7.6%
11. Semiconductors	96,823	5.3%	2.7%
12. Chemical engineering	96,626	5.4%	9.6%
13. Pharmaceuticals	92,990	5.6%	-1.9%
14. Audio-visual technology	92,903	3.4%	3.4%
15. IT methods for management	78,952	16.7%	13.1%

### PCTs published by technology – top 10 technologies

Six of the top 10 technology fields grew in 2021, with pharmaceuticals (+12.8%) reporting the fastest rate of growth, followed by biotechnology (+9.5%), computer technology (+7.2%) and digital communication (+6.9%). The growth recorded in these fields attests to the dynamism exhibited by health-related technologies as the COVID-19 pandemic unfolded.

Source: Based on PCT Yearly Review 2022 (<https://www.wipo.int/edocs/pubdocs/en/wipo-pub-901-2022-en-patent-cooperation-treaty-yearly-review-2022.pdf>) and PCT applications by filing date from WIPO Statistics Data Center, accessed Oct 22 (latest data to Dec 21).

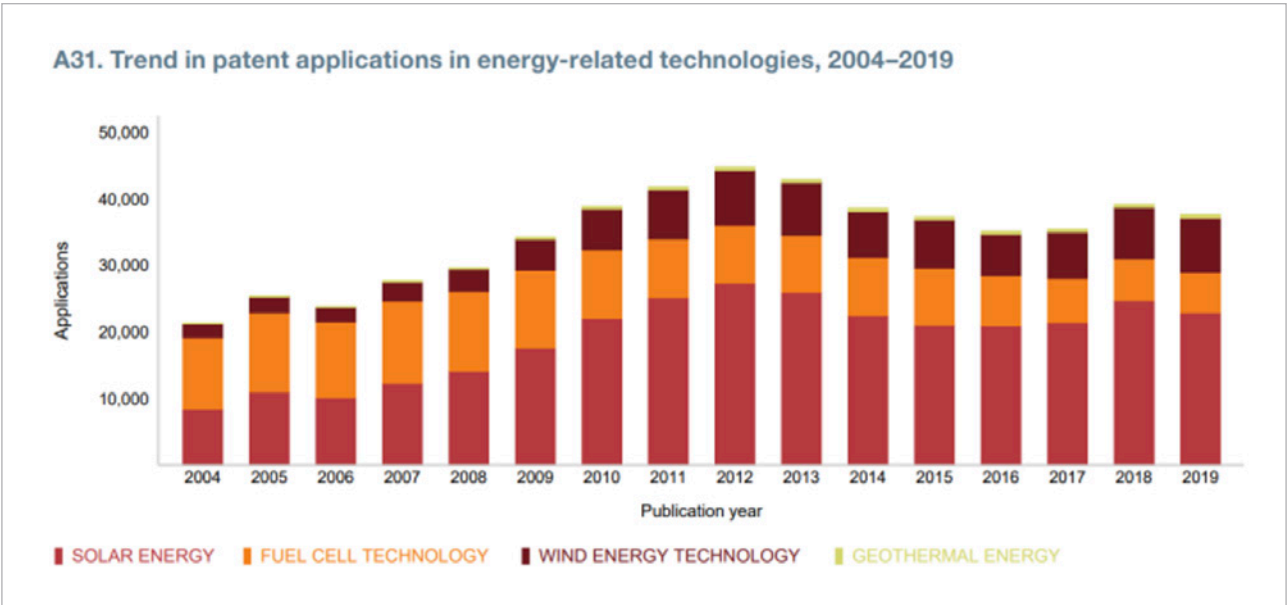
Technology	2021	CAGR 25 Yr	CAGR 5 Yr
1. Computer technology	26,108	12.0%	8.7%
2. Digital communication	23,610	14.8%	5.9%
3. Medical technology	18,554	7.6%	5.4%
4. Electrical machinery, apparatus, energy	18,229	9.6%	4.8%
5. Measurement	12,158	8.1%	5.4%
6. Pharmaceuticals	12,156	6.2%	8.1%
7. Audio-visual technology	10,840	8.7%	9.0%
8. Transport	10,118	8.1%	2.9%
9. Biotechnology	8,749	5.4%	7.9%
10. Semiconductors	8,347	11.0%	5.0%



FOCUS: CLEAN ENERGY TRENDS

Clean energy patent applications peaked in 2012 and have since recovered as at 2019 (latest data), although not yet to 2012 levels. Despite this, we expect renewable energy trends to accelerate as demand for clean energy, awareness of and measures to combat climate change increase.

Source: WIPO's World Intellectual Property Indicators report and Statistics Data Center.





“While the use of technology and approach to filing varies, regional work sharing programs such as the ASEAN Patent examination cooperation, have helped to expedite examinations and improve the way we manage IP across jurisdictions. Once these protocols become adopted in other countries across Asia, it will help us to unify the approach to IP examinations.”



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### **Choo Chiou Yu**

Principal, Director Singapore  
Chemical/Life Sciences Leader – Asia  
Spruson & Ferguson

# IP IN ASIA – GROWTH & INFLUENCES

Over the past 25 years, factors such as economic development, demographic transition and the rising middle class, and social change have had significant influence on the increase in IP and patent applications across Asia. These are enabled by regional governments adopting international policy conventions and increased funding, particularly for small and medium-sized enterprises, to support innovation.

Today's climate presents multiple challenges, with the global economy facing into a recession, conflict in Europe impacting the global economy and energy supply, and ongoing supply chain disruption and subsequent reorientation that affected the world because of COVID-19, and disruption due to advances in technology.

Although global and regional factors have varying degrees and rates of impact, as the biggest region by population the growing investment in IP, the influence of Asia on culture and development is undeniable.





## POPULATION SHIFTS

As the largest continent in the world, Asia is inhabited by nearly 60% of the world's current population and has the highest rate of growth with its population increasing four times in the 20<sup>th</sup> century<sup>3</sup>. While growth rates are falling in some Asian countries, including China with the 2020 census showing the country was experiencing its slowest population growth in years, the United Nations has estimated that the continent's population will exceed five billion by 2050. This is against a backdrop of demographic transition, comprising of improved access to healthcare and resulting in part to an increase in the age life span in some regions.

According to research, while China abolished its one-child policy in 2016, this did not result in an improved birth rate and the average annual growth rate of the Chinese population declined to 0.53% over the 2010 – 2020 period from 0.57% over the 2000 – 2010 period. As a general indicator, birth rates may decline as countries become more developed with increased access to education and priorities such as careers become more important. This has been the case particularly in Japan and South Korea where birth rates have plunged to record lows<sup>4</sup>.

Conversely, rising middle classes across Asia has meant the region is dominating the market for IP applications, with 66% of all patent applications worldwide filed in Asia<sup>5</sup>.

<sup>3</sup> Data sources: <https://worldpopulationreview.com/continents/asia-population>, <https://www.un.org/en/global-issues/population>

<sup>4</sup> Source: Forbes - <https://www.forbes.com/sites/niallmccarthy/2021/05/11/china-experiences-its-slowest-population-growth-in-decades-infographic/?sh=5e55cefd4cda>

<sup>5</sup> Source: World Intellectual Property Indicators 2021 Report, WIPO

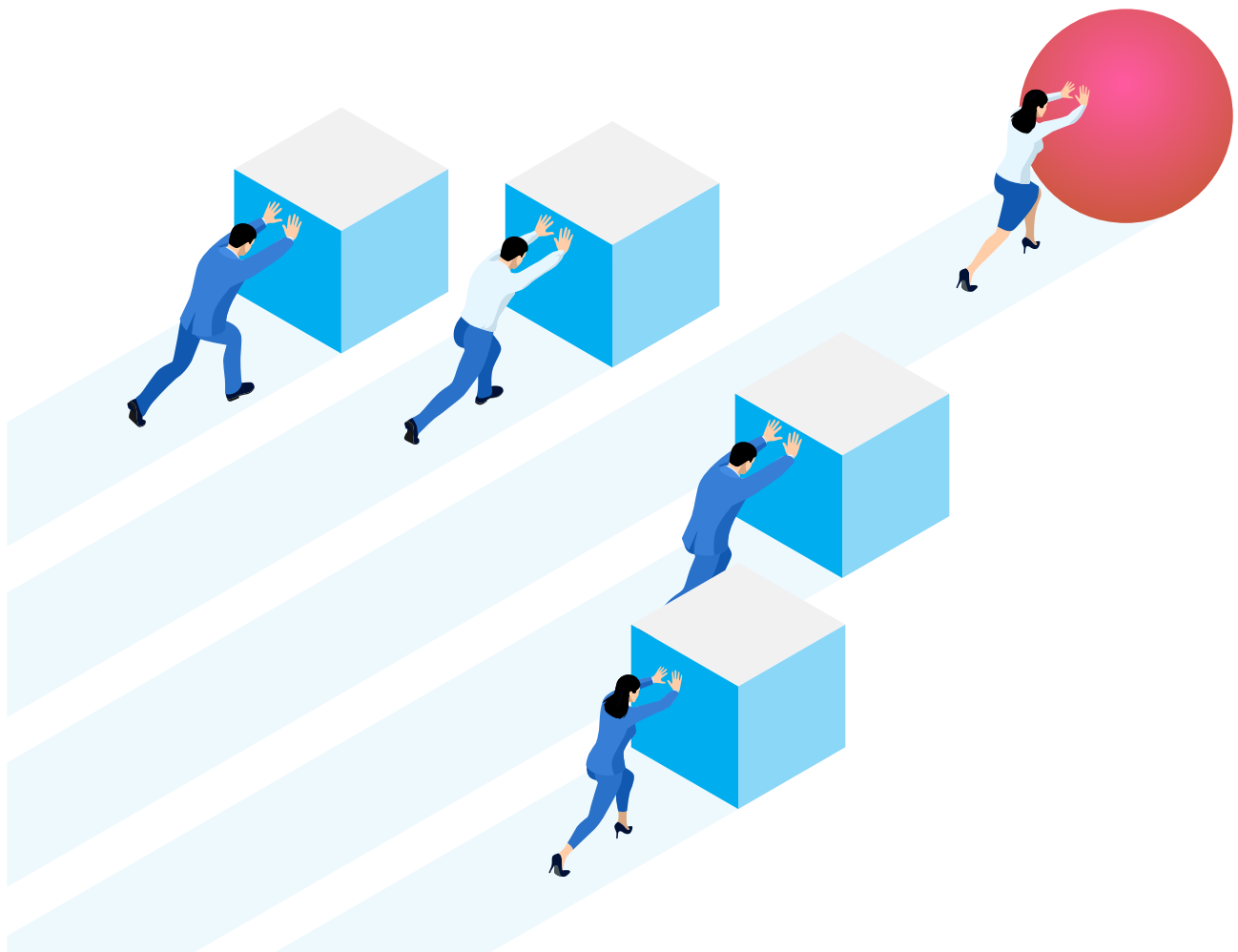
## CULTURAL TRENDS

As the population and size of the economy increases, so does the influence on cultural trends as informed by Asia.

While tastes and culture have historically been dominated by Europe and the Western world, we can expect to see the rise of a 'third bloc' as Asia and Pacific countries advance to claim an increased share of cultural voice and influence on the global innovation ecosystem. Centres of influence are increasingly based in Asia, a primary example being the increase in entertainment produced out of Asia, with India as the biggest feature film producer in the world. The

parallel increase in science and technology predominantly coming out of Asia will also be influenced by local cultural trends. As evidenced over the past century, these artifacts and goods dominated by Asian cultural trends will increasingly influence and shape the world market.

This effectively means a relative decline in cultural influence from Europe and the Western World as Asia advances to become more of a peer and subsequently drives the level of global competition as the centres of influence shift to be increasingly based in Asia. As technology supports these innovations, IP becomes increasingly fundamental to secure and protect competitive advantage.







## STRATEGIC COMPETITION

Strategic competition between the US and China is a major geopolitical issue on the horizon. The emphasis on science and technology and the significant increase in filings has seen China becoming a world economic powerhouse. The rivalry between the US and China, particularly in relation to technology, will continue. In a fact sheet released by the White House in August 2022, "CHIPS and Science Act Will Lower Costs, Create Jobs, Strengthen Supply Chains, and Counter China", the country committed to invest US\$280 billion over 10 years, with the bulk (US\$200 billion) directed to research & development and commercialisation. This is

the largest investment historically in science and technology by the US Government and supports technology as the heart of the security strategy in America.

A self-reliance approach and development of a privately-owned economy through innovation-driven development is core to the intent of governments across Asia. Mature markets such as Singapore have built a lot of momentum over the past 25 years in driving domestic innovation and supporting in public sector research innovation. Southeast Asia is still driven by patent filings coming into Asia rather than domestic patent applicants. Trends and data indicate that the Asia region will dominate the market for IP applications as the largest source of population in the world.

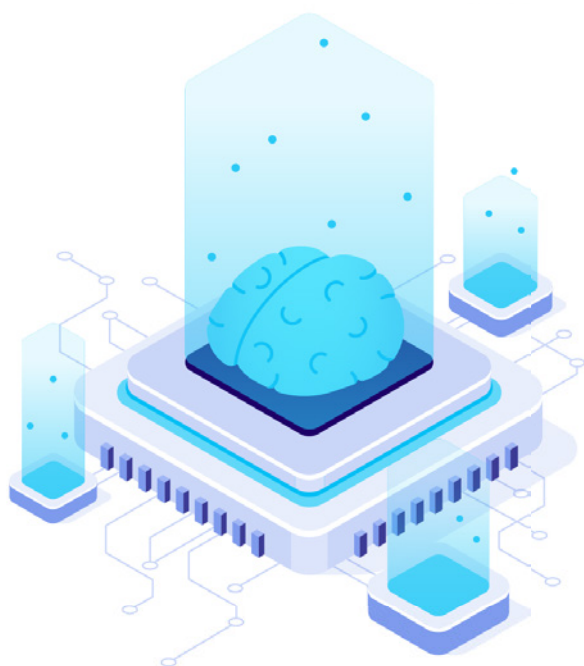
# TECHNOLOGY AS A DISRUPTOR

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Digital transformation will continue to be one of the biggest disruptors of industry, the IP landscape and the way in which service providers create value for their clients. The 2022 *Global Innovation Index* published by WIPO indicates two waves – the digital age innovation wave and the deep science innovation wave. This is evidenced by global investments in areas such as advanced computing and quantum technologies, advanced telecommunications, and clean energy technologies. Further insights and industry trends also indicate that the bioengineering and biomanufacturing innovation wave continues to gain momentum.

Smart solutions solving urban issues, smart medications individualised for each patient, translation services enabling people to interact more meaningfully, and innovation to improve life span and make life easier such as self-driving cars and personal e-assistants are on our doorstep.

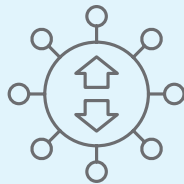
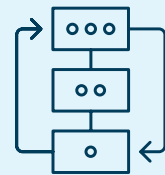
These advancements in technology, particularly in areas such as automation, impact not only the scope and substance of IP, but the way in which we do business.



## AUTOMATION FOR THE SUBSTANCE OF IP

- Technology such as AI is in its relative infancy. AI patent applications have skyrocketed with the advancements in machine learning and increase in autonomous invention and creations.
- Autonomous creation and AI inventions are driving the need for changes in the protection system and may also create the potential for an incentive-based regime.
- Big data has meant there is a lot of data to process to assess and qualify potential inventions and proof of concepts. Governments are faced with the challenge of how to collect, control and regulate, and store masses of data.
- Virtualisation of commerce and online applications are impacting trademarking and creating complexities in licensing, particularly with the introduction of blockchain.
- The increase in user-created content is creating a more diversified IP owner base, but also the risk pirates as counterfeiters increasingly piggy-back off the research and innovation of original inventors. In the face of this, consumers are more aware of the value of IP, and with stronger purchasing power and demand for authenticity in the face of lower quality, counterfeit substitutes.
- Individual inventors are on the increase, with the ability to conduct research and development previously requiring labs and teams of scientists, thanks to access to advanced technology.

## The ABCD of technology

**AUTOMATION****BLOCKCHAIN****CLOUD COMPUTING****DATA****AUTOMATION FOR THE BUSINESS OF IP**

- While there is a varying rate of change and IT maturity across the region in terms of e-filing and infrastructure, trends show progression to a more automated approach for previously manual tasks. This is particularly true for larger countries post-pandemic to support business as usual in the face of any disruption.
- With administrative tasks increasingly online and automated, patent and trade mark attorneys can focus on the more complex 'human' tasks.
- Cross disciplinary approaches have become more important in dealing with filings involving more than one type of IP, while data is becoming a group of IP in itself. Within a service or product, disputes will be more sophisticated and cross disciplinary.
- There are still unknowns in the way IP can and will be managed, with the metaverse introducing new complexities in areas such as trade marks.
- There has been an introduction of non-traditional firms offering partial services such as filing platforms to automate the process, but without providing the expertise and stability of having a trusted IP service provider.

# LOOKING AHEAD

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The link between Spruson & Ferguson and the Asia-region has never been stronger.

We continue to think ahead and anticipate the next wave, so we remain adaptive and agile to respond to industry and technology changes.

From an operational perspective, this includes ongoing investment in IT, quality control and automation. We will continue to roll out these efficiencies to reduce time spent on administration so our team can focus their time on providing our clients with high-value expertise to solve challenges.

As we look to the role of IP in shaping business and society, data, trends, and our own experience tells us that this evolution will only accelerate. New innovations such as the rise of automation and AI combined with macro and micro environmental factors will continue to have global impacts on business. The significance of IP will continue to exponentially increase as inventors and big brands seek to commercialise inventions and market these globally.

We expect to see continued growth by clients and number of filings, and also the impacts of post-COVID-19, particularly in mainland China as SMEs have realised the value of IP. Competition will continue to drive demand for IP and the global emphasis on the advanced economies of science and technology will continue to be driven by strategic competition between the US and China. As the industry and the world work to keep up with the pace of change, we may see a change in policy to support faster turnaround times, such as for patent grants.



As a business, we intend to expand higher end work into other parts of Asia to utilise the expertise of our people who have training in specific areas such as engineering, and regional experience. Geographies such as Indonesia and Vietnam are yet to reach saturation and we expect to see filing growth in these emerging economies as they become more sophisticated and advanced. Over the next five years, we will look to expand our geographic footprint and grow our expertise in the regions we can have the most impact. In the immediate term, we plan to open our Spruson & Ferguson Manila office to handle Philippines patent applications and trade marks, and provide support for the wider region as a strategic growth opportunity.

Regardless of the changes we have seen over the past 25 years operating in Asia and the past 135 years since our business was established, we believe the proven formula still works – a commitment to providing top notch service and expertise to our clients, investing in our people and operations, and remaining responsive and at the forefront of industry best practice.



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