

IN CONVERSATION WITH MR JASON CHAN

INTERVIEWERS: ANNABEL **KWEK** & KAYLEIGH **LIM***

This is the fourth part of a series of interviews that the Intellectual Property Students Association ("IPSA") has conducted with key players of the intellectual property ("IP") field in Singapore. These key players represent a diversity of views in the field of IP dispute resolution. The Singapore IP Strategy 2030 Report has highlighted that Singapore is currently seeking to strengthen its position as a dispute resolution hub for IP disputes.¹ The main purpose of these interviews is therefore to explore and discuss the various strategies that Singapore intends to employ towards advancing its goal as an IP dispute resolution hub.

On 20 August 2021, IPSA had the opportunity to interview Mr Jason Chan, Director of Amica Law LLC. Given his unique position as an IP adjudicator with the Intellectual Property Office of Singapore ("IPOS"), a domain name disputes mediator with the Singapore Mediation Centre, and a member of the Ministry of Law's Review Committee of Singapore's IP Dispute Resolution Framework, Mr Chan gave us illuminating glimpses into IP Disputes and the future of IP litigation in Singapore.

Q1: Having practiced IP law for the last 29 years, could you share about how the IP litigation scene has evolved and what challenges you faced as a result?

Mr Chan described his experience with the boiling frog metaphor. Similar to how a frog in a pot will not be aware of it being boiled if the water was brought to a boil slowly, Mr Chan found it difficult

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¹ Intellectual Property Office of Singapore, *Singapore IP Strategy 2030 Report* (Singapore: Intellectual Property Office of Singapore, 2021), online: <<https://www.ipos.gov.sg/docs/default-source/default-document-library/singapore-ip-strategy-report-2030-18May2021.pdf>>.

to articulate the extent of change in the IP litigation scene since he has been a part of the local IP practice scene throughout its changes.

Mr Chan elaborated that in his early days as a pupil and associate in Allen & Gledhill, the bread and butter of IP practice comprised of search warrant work. This entailed weekly raids at places like Sim Lim Square, Lucky Plaza and shops in Chinatown against the sale of counterfeit watches, perfumes, handbags, and other consumer products. Over time, this work began to dry up arising from the increasing affluence of Singaporeans and growing anti-counterfeit sentiments.

He noted that IP infringement has now taken on a more sophisticated form, such as the sale of TV boxes which allow for the streaming of pirated content. Unlike simple counterfeit products, such products only facilitate or enable infringement. Legislation thus had to be amended to take into account new forms of infringing activities. However, that said, Mr Chan highlighted that Singapore is no longer a destination for counterfeit products but has become a transshipment hub for such products. Thus, legal issues are more likely to arise from transshipments into and from Singapore, as opposed to the importation and sale of products, such as in the case of *Burberry Ltd v Megastar Shipping Pte Ltd*.²

Mr Chan reflected that the IP litigation scene has matured to include increasingly complex cases. For instance, the amendments to the *Trade Marks Act*³ has led to legal ramifications that are more difficult for litigators to handle.⁴ Mr Chan also cites the case of *Starwood Hotels & Resorts Worldwide, Inc and Sheraton International IP, LLC v Staywell Hospitality Pty Limited* as evidence of an evolving body of

² [2019] SGCA 01.

³ (Cap 332, 2005 Rev Ed Sing) [TMA].

⁴ For example, the doctrine of well-known marks was first introduced following amendments made to the *Trade Marks Act* in 1999. Under the doctrine, an owner of a well-known trade mark may take action to ensure protection of their mark under the TMA, even if it is not registered in Singapore.

law.⁵ In *Starwood*, the Singapore Court of Appeals (“SGCA”) clarified the principles applicable in opposition proceedings and infringement actions. Notably, in relation to the doctrine and test of “similarity and likelihood of confusion” in determining whether registration of trade mark could be refused pursuant to s 8(2) of the *TMA*, the SGCA held that the step-by-step approach would apply.⁶ This entailed the requirements of (a) similarity of marks; (b) similarity of goods or services; and (c) likelihood of confusion arising from the two similarities, which can pose challenges when applied to the facts of each particular case especially since factual, subjective or extraneous factors will invariably arise.

Another observation that Mr Chan made was that there was a growing influx of pharmaceutical cases. One example is *Zyfas Medical Co v Millennium Pharmaceuticals, Inc.*⁷ This is in part due to the large market for generic medicine and growing pharmaceutical industry locally. Mr Chan noted that this contrasts to the early days of the IP scene, when such cases rarely arose. He posited that one possible explanation for the rise in pharmaceutical litigation might be the lucrative nature of bidding for tenders issued by the Ministry of Health to supply therapeutics to local medical facilities. Pursuant to the *Health Products (Therapeutic Products) Regulations 2016*,⁸ an applicant seeking product registration and marketing approval of a drug product is first required to declare any patent in force in respect of the said drug product to the Health Sciences Authority. This is known as the “patent linkage” regime. The regime plays a key role in ensuring that brand-name drugs can protect their patents. However, in order to out-compete rivals, companies producing generic medicine may seek to bypass the regime entirely to obtain registration and marketing approval without being subject to the 30-month moratorium imposed by the *TPR*. This is what exactly transpired in *Zyfas*.

⁵ [2013] SGCA 65 [*Starwood*].

⁶ *Ibid*, at [15].

⁷ [2020] SGCA 84 [*Zyfas*].

⁸ (Cap. 122D) [*TPR*].

Further, the rise of pharmaceutical cases also led to a rise in biotechnology related subject-matter disputes. Legal practitioners thus need to spend more time with clients and subject-matter experts to understand the relevant technology. Mr Chan cautioned that if this was not done, practitioners would not be able to effectively engage in case management, cross-examination nor conduct their case strategically with the client's best interests in mind. Mr Chan also noted that it is now not uncommon for many individuals to be on board in a single case. In his own practice, inhouse patent attorneys in disciplines spanning from mechanical engineering to chemistry are often roped in to support patent litigation proceedings. This has inevitably led to greater scale and costs of litigation.

Nevertheless, Mr Chan observed that Singapore's IP litigation scene is still in its infancy as compared to that of in the UK and other more mature jurisdictions. Notwithstanding the evolution of the landscape up to this point, the real challenge will likely arise in the next 10 to 20 years amidst changes to the IP litigation system, the *Rules of Court*,⁹ and the overall civil process.

Q2: You have served as an IP adjudicator with the Intellectual Property Office of Singapore as well as a mediator with the Singapore Mediation Centre. Could you share how you typically advise your clients in relation to IP disputes?

When proffering advice, Mr Chan sets his focus on the client's main objectives in any dispute. From the perspective of an IP rights holder, litigation invariably puts its IP rights at risk. Mr Chan noted that most of the time, the defendant would, in response to an action, seek to invalidate the relevant IP rights in issue, such as attempting to invalidate a patent or registered design. Thus, Mr Chan would advise clients to be mindful of exposing their IP to the risk of invalidation where the extent or scale of infringement is not significant or where there are possible alternative dispute resolutions options to explore. This is converse to the aims of a defendant, who may have no choice

⁹ (Cap 332, 2014 Rev Ed Sing).

but to aggressively contest a claim where their business revolves around the importation or sale of a singular product or provision of a service which is now put under the threat of litigation.

Mr Chan also advised that lawyers should keep in mind the enforceability of any judgment or award. While Mr Chan has been successful in securing positive outcomes in certain cases, he lamented that the costs could not be recovered because the defendant had elected to be wound up rather than fork out costs or damages. Thus, litigation may come with huge costs to a party even if it is successful.

Beyond litigation, he emphasised the need to explore alternative dispute resolution options. Negotiations might result in outcomes that are more commercially expedient, especially where the client's objectives are achieved without the accompanying exposure of risk to their IP rights. Mr Chan also drew attention to the upcoming changes to the *Rules of Court*,¹⁰ where lawyers now have an active duty to explore mediation from the start and throughout legal proceedings. This, he observed, places a greater onus and responsibility on lawyers to encourage mediation.

Q3: Since you are a part of the Ministry of Law's committee to review Singapore's IP dispute resolution framework, how do you think the proposed amendments¹¹ will aid in improving the IP litigation scene?

¹⁰ *Ibid*, s 80.

¹¹ According to the Final Report: Review of Singapore's IP Dispute Resolution Framework, proposed amendments include 1) the establishment of a standalone IP division within the High Court; 2) the introduction of a dual-track system; 3) providing IPOS with the power to issue formal copyright opinions admissible as legal opinions; and 4) the formalisation of pre-grant third party observations and introduction of binding post-grant re-examination proceedings.

Mr Chan believes that the proposed amendments to Singapore's IP Dispute Resolution Framework would lead to more accessible and effective dispute resolution procedures. Notably, under the "fast track" in the new dual-track system, features such as caps on costs, recoverable damages, length of trial and early active case management will be introduced to ensure cases are dealt with expeditiously at proportionate cost. Conversely, the "normal track" would cover difficult cases such as novel patent cases. Such differentiation helps to ensure that more cases will be resolved, even when patentees are unable to protect their IP rights as a result of high litigation costs. Mr Chan pointed that this was the case in *Attorney-General v Ting Choon Meng*,¹² where the patentees gave up their suit because they couldn't afford lawyer fees. A dual-track system would have possibly been helpful in such situations. Moreover, Mr Chan noted that the proposed amendments better align Singapore's IP litigation process with the mature systems in the US and UK.

Q4: We note that you will be speaking at a course organised by IPOS International titled "Acting as an Expert Witness in a Patent Dispute." How do you think Singapore can build up a bigger pool of expert witnesses to strengthen its position as an IP dispute resolution hub?

Foreign expert witnesses are usually engaged in patent litigation for cases concerning complex subject-matter, such as software and biotechnology. However, Mr Chan opined that sourcing for and engaging foreign experts is costly and impractical for litigation. He believes that we should aim to be able to tap into a local pool of qualified experts, given the number of well-known academic and research institutions here. However, many local experts remain reluctant to be a witness as they are often unclear about what being an expert witness entails. Thus, IPOS has sought to demystify the fear around being an expert witness by educating academics and technical experts in the field. Hopefully, this will help to ensure that Singapore will be regarded as a one-stop centre where international parties do not have to worry about finding an expert witness, whether for court proceedings or arbitrations.

¹² [2017] SGCA 6.

To further bolster Singapore's position as a destination for IP disputes, agencies such as IPOS and the Ministry of Law should consider looking at the conditions for conducting experiments. Pursuant to section 87A, rule 6 of the *Rules of Court*,¹³ a party who desires to establish any fact by experimental proof must serve a Notice of Experiments on the other party. However, the rules do not provide any guidance as to how the experiment should be conducted. Also, experiments may not even be conducted in Singapore due to the lack of available dedicated facilities especially since some facilities remain solely for private academic or research purposes. Mr Chan therefore suggested that IPOS could consider working with various institutions and even industry operators so that facilities could be utilised for the purposes of litigation or arbitration. This may include partnering academic institutions like National University of Singapore (NUS), National Technical University (NTU) or Agency for Science, Technology and Research (A*STAR). Confidentiality has also become an important consideration and a source of contention with experiments since confidential or proprietary information are often involved with commercial ramifications. *Element Six Technologies Ltd v Ila Technologies Pte Ltd* is one such example.¹⁴ In Mr Chan's opinion, having an independent, trustworthy and secure facility to conduct confidential experiments would again help to persuade parties to litigate or arbitrate their disputes in Singapore.

Further, Mr Chan believes that the existence of concrete laws is insufficient for Singapore to be an attractive IP hub. Aside from practical considerations such as the lack of facilities in which experiments can be conducted and adequate facilities in court to aid the hearing of complex cases, IPOS may consider providing parties with logistical support, such as accommodation, teleworking and conferencing facilities for foreign parties. Singapore should look into improving on the practical aspects of litigation and arbitration so that parties are persuaded to consider Singapore as a better

¹³ *Supra* note 9.

¹⁴ [2020] SGHC 26.

destination for IP dispute resolution. This would go a long way in developing Singapore into an attractive IP hub for court or arbitral proceedings.