



GOVERNMENT OF PAKISTAN Intellectual Property Organisation (IPO-PAKISTAN)



An Introduction to The Intellectual Property Organization of Pakistan (IPO-Pakistan)

Mainstreaming IP

Intellectual Property (IP) is critical for competitive economy in the back drop of ongoing globalization. Sustainable economic growth now depends largely on Hi-tech R&D base and efficient knowledge input. The new concept of IP based nation is gaining ground because it is Intellectual Property which enables technology creation and technology transfer by providing the necessary enabling environment. For these considerations Intellectual Property was mainstreamed in Pakistan in 2005. IP was brought under the limelight of public policy by simultaneously establishing IPO-Pakistan, empowering the Federal Investigation Authority (FIA) and activating Pakistan Customs against IPR violations. The Government decision to establish IPO-Pakistan was particularly aimed at addressing the institutional shortcomings that were impeding the effective management of intellectual property in Pakistan. The other two parallel decisions were aimed at strengthening IPR enforcement in the country. It is by definition an exponential change.

IP Situation before 2005

Before 2005, IP situation in Pakistan was being internationally perceived to be constantly deteriorating. Pakistan was being blamed for export of pirated optical discs to a number of countries of the world. The deepening deteriorating of IP situation was also considered within the country to be highly detrimental to the following:-

- Rapid growth mode of Pakistan economy;
- Enabling environment for investment attraction;
- Market access requirement of Pakistan's export-led growth strategy;
- Fast track integration with global economy;
- Market expansion for genuine businesses in Pakistan;
- Consumer interest in terms of competitive quality and price;
- Country's business image as a whole.

Out-of-the box Solution

In order to redress the situation, Government of Pakistan found an out-of-the box solution for its IP problems and took the following three parallel decisions on the 8th April, 2005; namely:-

- Establishment of IPO-Pakistan as a focal organization for integrated management of intellectual property and enforcement coordination;
- Empowerment of FIA (FIA stands for Federal Investigation Agency which is Pakistan's elite force for control of white collar crime) to eliminate piracy by including the Copyright Ordinance 1962 (as amended in 2000) in the FIA Act, 1974;
- Activation of Pakistan Customs to effectively interdict import and export of pirated optical discs etc.

Support Measures

The Government of Pakistan supported the aforesaid three parallel decisions with the following additional measures, namely:-

- The Honorable Prime Minister of Pakistan placed the new organization directly under his own supervision by attaching it with the Cabinet Division rather than any of the old Ministries, namely Ministry of Industries, Production and Special Initiatives, Ministry of Commerce and Ministry of Education which were previously supervising the Patent Office, Trade Marks Registry and the Copyright Office respectively;
- Private sector was effectively involved in the governance structure of IPO-Pakistan by public-private partnership in the IPO Policy Board. Chairmanship of IPO Policy Board was assigned to the Private Sector;
- Shortly after the inception of IPO-Pakistan, the Honorable Prime Minister of Pakistan met twice with the Chairman and the Director General of the new Organization to set up an IP vision for the new Organization and to exhibit, at the highest level, the immense political will which had actually gone into the making of IPO-Pakistan;
- The new Organization was conceived to be fully autonomous with an independent IP Fund comprising the following, namely:-
 - Fee Collection by IP Registries;
 - Government Grants; and
 - Foreign Grants and Donations.
- The status of the Director General IPO-Pakistan was upgraded to the rank of Federal Secretary which is the highest level in Pakistan's civil administration;
- Sufficient funds were provided (Rs.113.00 million in 2005 against Rs.22.00 million in 2004) to meet the initial setting-up requirements of the new Organization; and
- A small start-up team of IP literate and experienced officers was put in place to kick-start the new Organization.

Governance Structure

The IPO-Policy Board effectively symbolizes the spirit of Public-Private Partnership which, in fact, is the new paradigm of participative governance in Pakistan. It also combines the finest expertise of public administration and corporate management in the best national interest. The Deputy Chairman, Planning Commission and six Federal Secretaries of the stake-holding Ministries represent the Public Sector and eleven Members including the Chairman represent the Private Sector including top executives of the national and multinational companies in Pakistan. Chairman Policy Board is a distinguished and widely experienced professional from the Private Sector. The Director General is the Chief Executive Officer (CEO) of IPO-Pakistan and Secretary to the IPO Policy Board. He is also a Federal Secretary (BS-22) which is the highest position in the civil service. Thus the Government of Pakistan has invested its finest human capital in the governance structure of IPO-Pakistan.

IPO-Initiatives

The new organization has undertaken a number of organizational, administrative and functional initiatives to upgrade the institutional infrastructure; design a flat and lean service structure; provide attractive salary package and afford necessary capacity building opportunities in order to reform, restructure and reorganize the intellectual property management in Pakistan. IPO-Pakistan's Enforcement Coordination Initiative has not only achieved effective linkages with the public sector enforcement authorities but also with the private sector

investigation agencies engaged in detection of IP infringements. This coordination is deepening and expanding very fast. Once this initiative finds synergy, the market space for piracy and counterfeiting will start shrinking. The growth of these twin menaces has already been effectively arrested.

Vision

IPO-Pakistan has set for itself the following vision namely:-

“To put Pakistan on the IP map of the world as a compliant and responsible country by promoting and protecting intellectual property rights.”

Mission

The Mission Statement of IPO-Pakistan is as follows:-

“Integrating and upgrading IP infrastructure for improved service delivery; increased public awareness and enhanced enforcement coordination for achieving the goal of being an IP based nation.”

Core Objectives

IPO-Pakistan has set the following functions as its core objectives namely:

- Integrating IP management;
- Improving service delivery;
- Increasing public awareness; and
- Enhancing enforcement coordination

Initial Priorities

Being a new organization, the initial priorities of IPO-Pakistan are as follows:-

- Consolidation of its inheritance from the past;
- Putting in core capacities in the new organization; and
- Achieving higher order professionalization;

Enforcement Achievements

The establishment of IPO-Pakistan in April 2005 has been received well in Pakistan as well as abroad. In a very short period of time since April, 2005, the new organization has been able to establish its HQ in Islamabad; achieve automation of the database of Trademarks Registry; recruit quality manpower for the Patent Office and IPO HQ and provide attractive salary package to its new staff; achieve ‘One Building Operation’ of the Regional Offices of IP Registries in Lahore and launch a well designed and well coordinated public awareness campaign in the country. However, its greatest success resides in its Enforcement Coordination Initiative with the following achievements namely:-

- Within the first month of IPO existence, FIA cracked down on the notorious piracy infrastructure to demonstrate Government of Pakistan’s administrative firmness behind its IP initiative;

- Pakistan Customs established Anti-Piracy Cells (APCs) at the country's major international airports to institutionalize government's anti-piracy drive. This was only the second time in the history of Pakistan Customs after Anti-Narcotic Cells (ANCs) that anti-piracy drive was institutionalized in the form of APCs;
- While FIA and Pakistan Customs were busy controlling the supply side of piracy, IPO launched a number of demand control initiatives to curb local demand for pirated optical disc.

Early Harvest

These measures combined well and found synergy for effectively reaping an early harvest of IP achievements both internally and externally. Internally, the piracy infrastructure in the formal and organized sector has been shut down; the operators and owners are being proceeded against in the courts of law and availability of pirate products especially business software has started dwindling. The US Government has been the first to appreciate Pakistan's enforcement measures with the following response, namely:-

- A four years old Petition of International Intellectual Property Alliance (IIPA) of America for withdrawal of GSP concessions on Pakistan's exports to USA has been closed by the US Government;
- US Government has also removed Pakistan from the Priority Watch List;
- US Commerce Department has offered a three year facility under its Commercial Law Development Program (CLDP) for upgrading IP infrastructure in Pakistan;
- A number of IP friendly countries have expressed their keenness to develop long term partnership with IPO-Pakistan;
- WIPO and European Union are also massively supporting IPO-Pakistan in its formative years. In fact timely technical help has come from WIPO and robust financial assistance of EU under EC-Pakistan TRTA Program is the principal support for IPO-Pakistan in its formative years.

The external response to mainstreaming of IP in Pakistan has been encouraging. The International Federation of the Phonographic Industry (IFPI), UK-based international watchdog of global piracy has certified that export of pirated optical discs from Pakistan's major international airports has "**completely dried up**". IFPI was previously spearheading a relentless campaign against deterioration of IP situation in Pakistan through its quarterly Enforcement Bulletin Magazine. The Recording Industry Association of America (RIAA) has also deeply appreciated Pakistan's IP achievements in the following words, namely;

"The US recording industry fully endorses the termination of this investigation. The efforts of the Pakistani Government under the remarkable leadership of Prime Minister (Honorable Mr. Shaukat Aziz) and the actions of the Federal Investigation Agency to address the rampant copyright piracy that had been ravaging the country have been outstanding. As a result, pirate optical disc manufacturing operations have been shut down; the owners have been arrested and are awaiting trials. We congratulate Pakistan on its excellent efforts, and we commend USTR for terminating the investigation."

Early this year, the US government sent a non-paper on IP enforcement in Pakistan with the following remarks;-

"The United States Government wishes to inform that the United States appreciates the work that the Government of Pakistan, particularly the Federal Investigation Agency (FIA), Pakistan Customs, and the Intellectual Property Office (IPO), have done in enforcing intellectual property rights (IPRs) in Pakistan."

The American Business Council (ABC) of Pakistan has reported after their annual Perception Survey that their Members "hold a positive opinion about the business environment in Pakistan and remain optimistic about the available investment opportunities". The Chambers of Commerce and Industry located in various cities of Pakistan in which IPO-Pakistan has held IP Seminars under its Public Awareness and Outreach Program have invariably appreciated the IP related initiatives of the government and unequivocally supported the government's enforcement drive against piracy and counterfeiting.

Model of Excellence

IPO-Pakistan is now fast developing into a model of excellence in integrated management of IP Registries administering Patents, Trade Marks and Copyrights. Although the new Organization is constantly on the run ever since its inception in April, 2005 to meet its initial setting-up requirements, yet it has done reasonably well in achieving the following:-

Integration of IP Registries

Getting three IP Registries in Karachi to work interdependently together after decades of independent and stand alone existence is quite an uphill task. The following measures have been taken for effective integration, namely:-

(i) Joint Committee of IP Registries

A joint committee of Heads of IP Registries has been constituted in Karachi for consensual management of their common problems. The Committee meets regularly for finding corporate solutions to their organizational problems.

(ii) One Building Operation

Location of IP Registries is being consolidated in one building for operating a "One Building Operation" of IP registries for the convenience of dealing public. The objective has been achieved in Lahore where all IP Offices have been located in one building and placed under one senior officer for unity of command. Efforts are underway to locate all IP Registries of Karachi in the TMR Building after renovating, refurbishing and upgrading it into a full-fledged IP House.

(iii) Automation

Automation is critical for transformation of IP Registries into an accelerated service delivery mode. Business Process Re-engineering (BPR), formulation of Standard Operating Procedures (SOPs), automation and capacity building of the core staff constitute the fundamentals of IPO strategy to improve service delivery. Accordingly automation of data base of Trade Marks Registry has been completed. Patent Registry has also initiated automation of Patent data bases with the help of Electronic Government Directorate (EGD) and World Intellectual Property Organization (WIPO), Geneva. Plans are in hand to convert Copyright Registry from manual to automation mode at the earliest. The ultimate objective is to bring IP management online in Pakistan in the shortest possible time. EGD is preparing an overall automation plan for IPO-Pakistan.

Public Awareness

IP awareness in Pakistan is very low. In order to improve public awareness, IPO has launched a Public Outreach Program for linking and leveraging internal and external constituencies i.e. Chambers of Commerce and Industry, business enterprises, R&D institutions, universities, academia and general public. World Trade Review, a fortnightly newspaper focused on WTO news is also regularly publishing IP news. Both Electronic Media and Print Media are being increasingly used for enhancing general public awareness in IP. Pakistan National Commission for UNESCO is providing financial support in organizing IP awareness Seminars in the country.

IP Seminars in Chambers of Commerce and Industry

Seminars Already Held

- Karachi
- Peshawar
- Hyderabad
- Sialkot
- Faisalabad

Short Term Priorities

- Lahore
- Gujranwala
- Multan
- Chaman
- Quetta
- Rawalpindi

Enforcement Coordination

Enforcement coordination is being institutionalized and expanded by establishing Enforcement Committees in Islamabad, Karachi and Lahore. Its membership comprises the following stakeholders:

Agency	Designation
IPO	Director General, IPO HQ, Islamabad
CBR	Chief (Customs), CBR, Islamabad
PEMRA	General Manager (Enforcement), Islamaabd
FIA	Additional Director General Islamabad
Police	Additional SP, Islamabad
Customs Intelligence	Additional Director, Islamabad
Law Division	Deputy Draftsman, Law Division, Islamabad

Private Investigation Agencies and Citizen-Police Liaison Committees already existing in the major urban areas will also be brought into the enforcement loop.

Enforcement Approach

A top down gradual and selective approach based on special and differential treatment principle of WTO is being followed under which the developed regions like Karachi, Lahore and Islamabad of Pakistan have been prioritized for IPR enforcement. The less developed areas of Pakistan will be focused later.

Reform and Restructuring of IP Registries

The existing organizational and administrative set-up of IP Registries requires extensive reform and restructuring. A nine tier flat and lean administrative setup has been put in place. IPO HQ in Islamabad is being organized on modern lines. The IP Registries and their Regional Offices will also be reformed and restructured accordingly. IPO-Pakistan, its Registries and Regional Offices are being reorganized on competitive lines to put in capacity for adequate response to convert the challenges of globalization in the 21st century into opportunities for

Pakistan. This however needs a lot of capacity building, vision, foresight and patience. There is no dearth of political will and financial commitment on the part of Government of Pakistan. Lack of expertise and capacity problems constitute the most major challenges for IPO-Pakistan.

Administrative Structure of IPO HQ

S.No	Designations of IPO Management	Scale
(i)	Director General	IPM-I
(ii)	Executive Directors	IPM-II
(iii)	Directors	1 PM-III
(iv)	Deputy Directors	IPM-IV
(v)	Assistant Directors	IPM-V
S.No	Designations of IPO Support Staff	Scale
(i)	PS/Protocol Officer	IPS-I
(ii)	Senior IT Staff	IPS-II
(iii)	Junior IT Staff	IPS-III
(iv)	Driver / DR etc.	IPS-IV

Staff Position of IPO-Pakistan

IPO Sanctioned Staff Strength

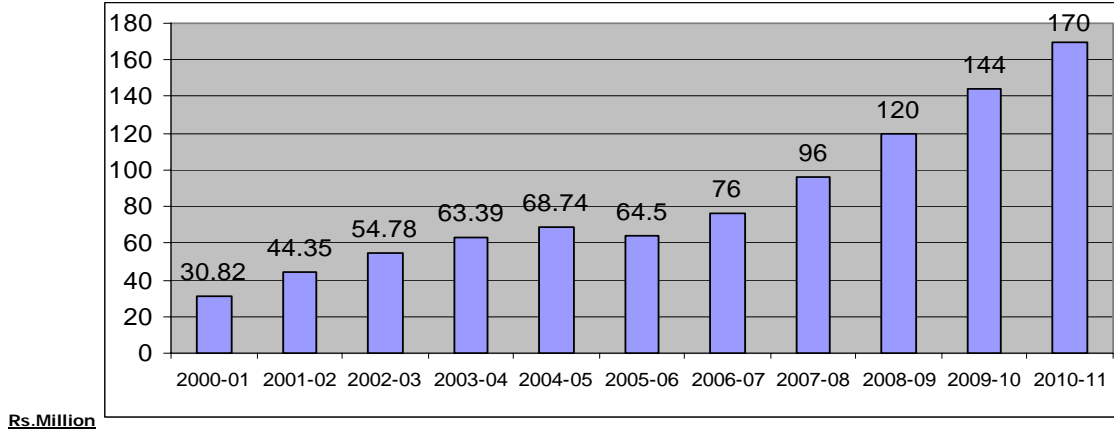
IPO HQ:	Officers	46
	Support Staff	29
	Total	75
Registries:	Officers	63
	Support Staff	148
	Total	211
Breakup:	Officers	109
	Support Staff	177
	Grand Total	286

Revenue Streams

The Government of Pakistan has created an IP Fund for IPO-Pakistan which comprises the following:-

- Fee collection by IP Registries
- Government Grants; and
- International Donations.

**Table1. Fee Collection by IP Registries
(Actual and Projected)**

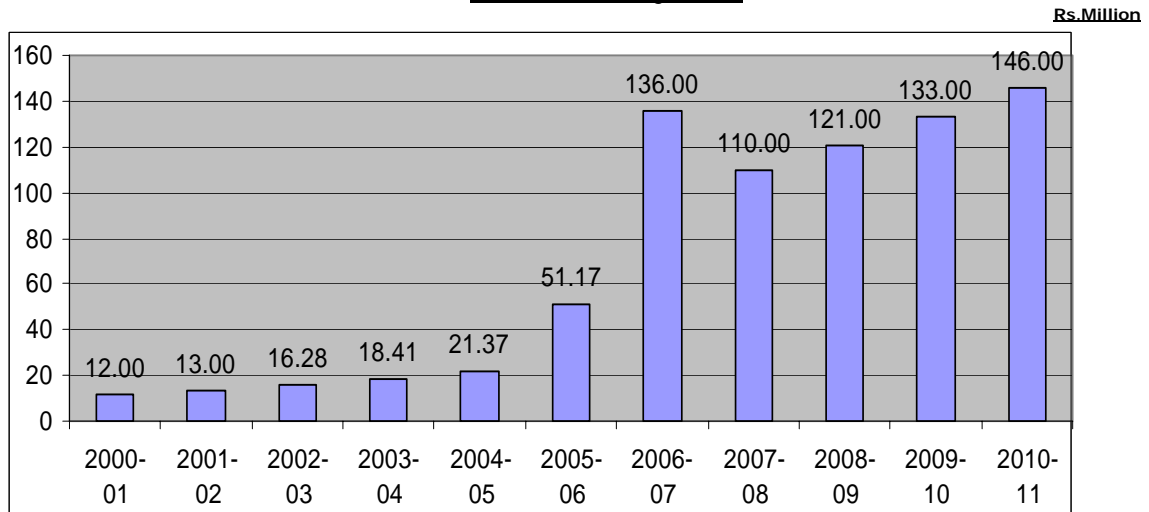


Expenditure Budget

The expenditure of IPO Pakistan will continue exceeding its income for the first two years during which IPO-Pakistan will financially stabilize itself by:-

- Increasing volume of Applications; and
- Readjusting the Fee structure.

**Table2. Expenditure Budget
(Actual and Projected)**



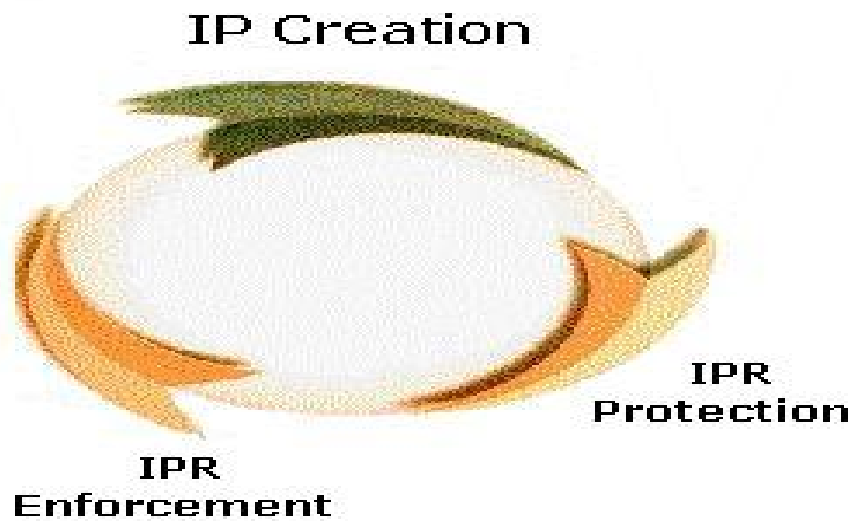
Government of Pakistan actually provided Rs.113.00 Million as expenditure budget for 2005-06 which could not be fully spent because of shortage of staff and procedural delays. Higher commitment for the current financial year (2005-06) is on account of initial investment needs of the new Organization.

Conclusion

IP is not an end in itself. It is a means towards an end. The end is sustaining and strengthening the ongoing high growth mode of the national economy and to ultimately achieve the goal of being an IP efficient society and an IP based nation. Therefore, strong IP regime is a paramount national imperative for achieving the objective of competitive economy based on:-

- ❖ Technology Creation;
- ❖ Technology Transfer; and
- ❖ Creativity Promotion.

IP Creation and Protection Cycle



حقوق دانش

اپنا حق چھوڑومت
کسی کا حق چھیڑومت

IPO-PAKISTAN

Bottom Line

“Do not forego your own IP rights;
But do not violate IP rights of others”

Please visit IPO-Pakistan

at

www.ipo.gov.pk

info@ipo.gov.pk

www.patent.gov.pk

www.tmr.gov.pk