

**SPEECH**  
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**DEPUTY MINISTER OF SCIENCE, TECHNOLOGY AND INNOVATION**

**RI'S PATENT STRATEGY WORKSHOP**

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*(All the Salutations)*

Assalamualaikum Warahmatullahi Wabarakatuh.

A very good morning, Salam Sejahtera and Salam 1 Malaysia.

Distinguished guests, ladies and gentlemen.

1. It is indeed a pleasure and an honour to join all of you here today in **“Winning the Research Game with the Right IP Strategy” Seminar and Workshop**. I am more than happy to see the participation of various sectors and industries in our concerted efforts to accelerate commercialisation and to increase our nation’s capabilities and savviness on Intellectual Property (IP).

2. I wish to acknowledge Adastra IP for putting forth their efforts to collaborate with Technology Park Malaysia (TPM) in order to provide tactical programmes such as this workshop to enhance and increase the level of competency of researchers and engineers in the areas of technology and patents. As we are all aware, one of the main spirit and intent of the patent system is to promote the human pursuit of knowledge and charting frontiers in various knowledge domains. Knowing how to harness the richness of the patent databases is one of the key skills researchers and engineers should possess as part of the overall competency in ensuring the success of research projects.

3. Under the 11<sup>th</sup> Malaysian Plan (2016-2020) with the theme of **“Anchoring Growth on People”**, one of the 6 thrust is **Innovation and Productivity**. In addition, MOSTI has also declared this year as Malaysia

Commercialisation Year (MCY) 2016 with the main objective to accelerate commercialisation and monetisation of technology and IP. All these initiatives underscores the Government's focus to lead the knowledge economy and also to promote innovation in order to spur and sustain the growth of this country with the aim to become a high income nation status.

4. The increasing global trend of building corporate and national wealth via investments into intangible assets such as IP is gaining more traction. The Organisation for Economic Co-operation and Development (OECD) in 2013 published statistics to show that more developed nations have higher **Intangible Assets Investments** as part of their GDP compared to lesser developed nations. OECD further reports that countries like the United Kingdom, Japan and the United States have already exceeded the investments in the intangible assets as a share of GDP compared to investments in tangible assets.

*Ladies and gentlemen,*

5. As IP is the driving force for spurring innovation, stimulating creativity, and facilitating trade & investment, the Government is deeply committed to develop IP rights into a source of new wealth creation and to raise the entrepreneurship and business value chain to a higher level.

6. Reports and statistics by World Intellectual Property Organisation (WIPO) indicates that globally, international receipts from IP licensing (including patents, trademarks and copyrights) increased from USD10 billion in 1985 to USD110 billion in 2004 with more than 90 percent of the receipts going to the European Union (EU), Japan and the United States. In 2009, the global IP royalty income was recorded at USD180 billion. The growth of IP licensing income outpaces the growth of global GDP for the same period.

7. In Malaysia, the research agencies, universities and GLCs are the main generators of patents, we hope that through ongoing efforts to improve the quality and commercialisation rate of research projects, you would be able to extend your expertise and experience to reach out to the industry and the private sectors, specifically the SMEs to collaborate and

bring them to the same playing field, to ensure a strong and functioning innovation and IP Ecosystem can flourish.

8. We must craft and develop a strategy which will allow us to position our economy to compete effectively among the other bigger and more formidable nation. In order to do this, we must first understand the rules of the IP game and how to leverage our key strengths to carve a niche in the global stage.

*Ladies and gentlemen,*

9. Aside from wealth generation of IP through licensing, having an effective IP strategy is also pertinent to build economic confidence of foreign companies. Recent study by the OECD has further quantified the benefits of IP protection for foreign direct investment, not limited to patent protection but also copyright and trademark. For example a 1% increase in the strength of patent protection correlates to a 2.8% increase in FDI. A similar increase of trademark and copyright protections correlates to a 3.8% and a 6.8% increase in FDI, respectively.

10. Increase in foreign investments will also enable a better platform for technology and skills transfer to take place, provide channel and platforms to access global markets through these investors and thereby reinforcing the continuous cycle of innovation.

11. MOSTI will continue to provide intervention and effective policies to solve the existing challenges faced by SMEs in commercialising their technology and research and also to equip SMEs with the necessary capability to enhance their offerings and subsequently improving their position.

12. Before I end my speech, I would like to take this opportunity to thank all the speakers who will be sharing and contributing their expertise and insights. It is my fervent hope that all of you will have a productive and fruitful workshop session.

Thank you and Wassalamualaikum W.B.T.