



RESEARCH PAPER

Intellectual Property Organization of Pakistan (IPO-Pakistan): An Analysis of its Performance from 2014-2017

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Received: June 08, 2018	It is now a well-known fact that the importance of intellectual property, which plays an important role in a country's economy, cannot be denied. Countries of the world have formed organizations for the protection and promotion of intellectual property following the guidelines of world intellectual property organization (WIPO). There is also an organization in Pakistan which we call intellectual property organization of Pakistan (IPO-Pakistan). Intellectual property organization of Pakistan is responsible to protect and implement the policies with respect to intellectual property in Pakistan. The objective of this study is to evaluate the performance of this organization from 2014-2017. The research is based on descriptive research and finds the fact that the performance of this organization has been disappointing. This paper concludes that reorganization is urgently needed.
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Introduction

Following international law, all countries are establishing the intellectual property organizations for the protection of intellectual property and implementation of related policies. Following in the footsteps of these countries, Pakistan has also established its own intellectual property organization. The main purpose of this organization is to protect and enforce intellectual property. Whether this organization has succeeded in this goal or not? This research will examine the performance of this organization highlighting the importance of intellectual property and draw conclusions.

When we talk about the significance of intellectual property, we come to know that only those countries stand out in the world marketplace that has enforceable intellectual property protection systems. Transnational companies consider those countries as appealing places for doing business and open their wallets and help them grow (Berstein, 2006).

A sound intellectual property regime performs a significant function in the economic growth of a nation. There is no doubt in it that IP preservation is not only significant for economic progress but it also helps producers to bring back the costs of their innovative expenses. For socio-economic well being, IP systems must be developed (Laik, 2005).

In trade relations among developed and developing nations, the IP laws implementation has become a critical issue (Ostergard Jr, 2000). In those countries where the standard of IP preservation is high, the economic benefits are maximal and where the standard of IP preservation is low, the benefits are minimal (Laskar, 2013). Intellectual property has become an economic tool. IP and its worth are not fully appreciated. IP is a base in present business decisions (Sukarmijan & Sapong, 2014).

In all over the world, especially in developing countries, it is a fact that effective preservation of IPRs plays a great role in gaining socio-economic benefits (Alikhan, 2000). The property rights bring innovation and as a result of that there would be productivity and thus economic development and growth. Such property rights are called intellectual property rights embodied in laws regarding designs, trademarks, trade secrets, copyrights and patents (Rapp & Rozek, 1990).

With regard to ratio of innovation and economic development of a country, IPRs play a significant part. IP affects the ratio of innovation but this influence is sounder in developed nations (Schneider, 2005). Intellectual property rights affect economic development indirectly by appealing the stock of factors inputs like physical capital and R&D (Park & Ginarte, 1997). The technological change in a country is mainly due to intellectual property rights protection (Kumar, 2003).

The economic style of an individual is mainly affected by property rights that the state gifts to him as a fruit of his labor. A positive link exists between IPRs preservation and economic activity and development (Guttermann, 1993). Intellectual property rights have great affect on investment drives and imports of developing countries (Platikanova-Gross, 2006).

The strict protection of intellectual property rights encourages technology transfer or technology development in a developing country. IP serves a significant role in economic growth (Ahn, Hall & Lee, 2014).

The countries with increased rate of software policy have lower economic growth rate whereas countries with strict IPRs preservation have higher economic progress rate (Le & McLennan, 2011). For economic progress, the strict IP implementation structure is a good strategy. IP system plays a great role in economic growth. The effect is slightly stronger in open economies (Gould & Gruben, 1996).

Trademark counterfeiting and copyright piracy in developing countries has injurious results. Many countries of the world have recently initiated reforms for effective IPRs implementation policy. Minimum standards have been put in international agreements and treaties for better enforcement of intellectual property rights (Fink, Maskus & Qian, 2016). IPR has sound impact on foreign direct investment. IPR is one of many factors that attract FDI in developing countries (Adams, 2010).

The global economies, international trade play an important role in reforming intellectual property laws and this thing attracts foreign investment (Nawafleh, 2011). In developing countries, the level of intellectual property rights protection is low as compared to developed countries. The legal protection of IP is gaining much attention in the worldwide as well as playing a significant role in the global economy (Wang, 2004).

IP and development is now gold area of interest for IP commentators and scholars. It provides how to win socio-economic tasks. Many developing countries have adopted intellectual property laws with this hope that they will help them in their socio- economic development (Olwan & Fitzgerald, 2015). There is strong relationship among IPRs, economic development and transference of technology (Shi, 2008).

In bringing economic growth, novelty and technological development play a great role. The firms that use IP system regarding protection of investment are at high place of economic performance. The increase of operation ability, grow of business and launch of new products is only because of protecting IP system (Alkaersig, Beukel & Reichstein, 2015).

The utilizing creativity and innovation leads to creation of wealth and development. That nation is called IP conscious nation which enforces a clear development policy and strategy. Such nation truly identifies the worth of its skilled nationals and enhancing their skills. In IP system, knowledge workers and human assets are authorized with a culture of utilizing intellectual property and innovation. The worldwide challenges can be achieved by intellectual property system. There are some misconceptions regarding intellectual property that should be removed. For example, the protection of intellectual property benefits only wealthy nations and not low income nations. The IP structure is a major hurdle in way of information and essential drugs field. It is obstacle in way of competition. The stronger IP system is alone responsible for the betterment of society. This

system alone brings foreign direct investment and transfer of technology. The one size IP system is fit for all nations. Such theories should be set aside. The intellectual property system should be adjusted and reviewed according to the national goals (Idris & Arai, 2006).

It is not true that intellectual property is food for developed nations and poison for developing nations. In the circle of economic development, the developing countries can benefit from them by adjusting them according to their local needs. The developing countries should do to such extent in the field of intellectual property which is best for their development and developed countries should co-operate them according to their local needs (Barton, 2002).

There is positive impact of intellectual property protection on economic development of a country and it is an excellent field of public policy. New IP laws are passed; international agreements and treaties are signed, fresh dispute arise and policy changes and this policy change not only affects the profit level of many companies but its effect on poor people cannot be ignored (Maskus & Fink, 2005).

There is strong relationship of intellectual property with foreign direct investment, GDP growth, technology transfer, domestic industry development, etc. The least developed and developing countries should implement intellectual property rights protection system before getting full industrialization (Halydier, 2012).

Intellectual Property Organization of Pakistan Act, 2012

As per section 4 of Intellectual Property Organization of Pakistan Act 2012 there will be a policy board of the institution. This policy board will have 15 members including a chairman. Five members will be from public sector including secretaries of cabinet, interior, commerce and information & broadcasting division. One member will be FBR chairman. All 5 members would be ex officio. Five Members will be from private sector appointed by federal govt. The federal govt. shall appoint 4 members on the recommendations of provincial governments. The chairman would act as chairman of the board. The director general will be the secretary of the board. The term of members from private sector shall be 3 years. They can be re appointed for the duration of next 3 years. A person would not be a member if he is convicted of moral turpitude involved offence, insolvent, incapable of discharging duties due to physical, psychological or mental unfitness.

Section 6 describes that the policy board shall consider as well as approve policies and plans of the organization. It will implement the policy decisions of the organization; formulate framework and methods to use funds and propose fees and penalties on behalf of the organization.

Section 9 expresses that the appointment of the chairman shall be for the duration of three years. By written notice forwarded to the federal govt., the chairman may quit his office. Within ninety days, the federal govt. shall take all necessary steps to fill the vacancy. Section 11 empowers the chairman to preside over the meetings of the board. The director general shall seek guidance and direction from the chairman in performance of his duties as well as responsibilities.

According to section 12, the federal govt. shall discuss the appointment matter of director general with the chairman and after that discussion, the appointment of director general shall be made by federal govt. A federal govt. officer of BPS 21 shall be appointed as director general. The organization's day to day affairs will be looked after by the director general. He will be the functional head of the organization. The director general shall follow the instructions, guidelines and verdicts of the central govt., the board and the chairman. The director general shall provide assistance to the chairman in making policy framework. He will be responsible to manage not only the human resource but also other resources of the institution.

Section 13 empowers the organization to administer and coordinate all government systems to protect IP laws, rules and regulations. It will manage and enforce standards related to IP, levy fees, monitor in agreement with international agencies such projects connected with IP, become part of agreements for delivery of products, control and supervise the working of all intellectual property offices, update the federal govt. with respect to IPRs policy, make strategy for IP infrastructure development, advance research and education in the ambit of IP, update the federal govt. with regard to global negotiations in the area of IP, provide training to officers and staff, provide awareness regarding IP issues in public as well as private sector through electronic and print media, interact with international IP organizations to improve capacity building, interact with international IP organizations for exchanging of IP information, suggest and introduce IP law making for preservation of IPRs, monitor the implementation of IPRs through law enforcement agencies, refer matters and complaints concerning IP offences, advise any person on matters regarding IPRs, implement the foreign aided assistance projects, attend foreign funded conferences and training courses and ratify instruments suited to the best national interest.

According to section 14, organization shall promote IP through advocacy which includes to build knowledge and to allow training with regard to IP issues, reviewing policy frameworks for IPRs, coordinating with trade associations for awareness of IP and implementation of IP laws.

Under section 15, for an IP offence, IP tribunal will try and prosecute the offender and within ninety days, the case will be decided. These tribunals shall be established by federal government under section 16. Under this section, the federal govt. shall discuss the appointment matter of judge of tribunal with concerned

high court chief justice in whose jurisdiction, the tribunal has been established and after that discussion, the appointment of judge of tribunal shall be made by the federal govt. A former judge of high court or a former or current district and session judge can be appointed as judge of IP tribunal. An advocate can also be appointed as judge of IP tribunal if he has all qualifications that are essential for appointment of judge of high court. The IP tribunal judge who is not a district and session judge, his appointment will be for the duration of 3 years. He may, by written notice forwarded to federal govt. quit his office. He can be re appointed for the duration of next 3 years and on completing the age of 65 years or on expiration of his term, he will be illegible to hold office. The tribunal may take assistance of an expert who has knowledge and ability with regard to IP matters.

Section 17 describes that the tribunal shall have the powers under civil procedure code 1908 and criminal procedure code 1898. The proceedings of tribunal shall be judicial in nature. No other court shall exercise the authority of the tribunal. As per section 18, with regard to IP legislation, all suits shall be tried and instituted in the tribunal. Such tribunal shall have sole authority to try a crime under IP legislation.

According to section 19, after pronouncement of verdict of tribunal, the aggrieved party may file an appeal against the decision in the high court within thirty days.

Section 24 empowers the organization that it, with prior authorization of the board, can generate vacancies and nominate experts, officers, employees and consultants. This section also empowers the director general for postings and transfers of employees. Any action of the organization taken in good faith would be protected under section 31.

Under section 37, all enforcement agencies and authorities shall be under obligation to provide assistance to the organization.

Let us take a brief view of the performance of the organization.

Table 1
IP Statistics

	Patent	Designs	Trademarks	Copyrig hts
Applications Received/ Granted January-March 2017	186/31	109/67	7132/3413	1746/309
January-March 2016	128/33	125/93	6331/2685	1621/917
April-June 2016	212/62	139/105	7916/4440	1473/638
July-September 2016	206/36	140/79	4315/1923	1471/116
October-December 2016	234/83	152/114	5212/3601	1748/748
January-March 2015	183/59	143/52	7343/2906	1876/422
April-June 2015	245/38	130/44	7627/2402	1219/518

July-September 2015	204/13	132/102	5747/1870	907/763
October-December 2015	254/21	112/71	7587/2450	1189/906
January-March 2014	291/32	216/123		
April-June 2014				
July-September 2014	203/49	117/42	6096/4900	913/56
October-December 2014	243/42	130/39	7358/3983	1002/9

Source: IPO-Pakistan, Quarterly Newsletter for the Year 2014, 2015, 2016, 2017

Key IP Implementation Authorities under IPO Pakistan

The following are the key IP implementation authorities (IPO-Pakistan, 2017, IPO Initiatives for IPRs Enforcement).

Policy Board Interface (Policy Level)

Organizational Interface (Supervisory Level)

Enforcement Coordination Committee Interface (Operational Level)

At the operational level, enforcement coordination has been regularized via enforcement coordination committees containing following agencies in enforcement chain in Karachi, Islamabad and Lahore.

Police

FBR

FIA

PEMRA

Pakistan Customs

Overseas chamber of commerce and industry, Pakistan industrial rights association, anti counterfeit and infringement forum and federation of Pakistan chambers of commerce and industry are also invited in meetings of IPR enforcement coordination committees.

The study utilizes the U.S Chamber International IP Index for the period of 2017 to see the Pakistan's position with respect to intellectual property.

IP Score of Pakistan



Source: U.S. Chamber of Commerce, GIPC International IP index 2017

Pakistan's score is 8.4 out of 35. Analyzing the score, the condition of IP in Pakistan can well be judged.

Conclusion

While the government is spending so much budget on this organization and this organization includes so many big personalities but still the performance of this organization is disappointing. The violation of intellectual property not only deceives the customer but also disappoints the foreign investor and he is reluctant to invest in Pakistan. The report of U.S Chamber International on IP is considered to be credible all over the world and the results are before us. Reorganization is highly recommended here as it is a matter of time.

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