

AMP¹ Mediation Success

Chew's Optics & Chew's Optics (Bishan), Chew's Optics (Kovan) [2023] AMP MED 1

| | Party A | Party B |
|---|---|---|
| Name | Chew's Optics | 1. Chew's Optics (Bishan) 2. Chew's Optics (Kovan) |
| Nationality / Country of Incorporation | Singapore | Singapore |
| Representation | CHP Law LLC | Netto & Magin LLC |
| Lawyers | Mr Dixon Soh, Singapore Mediation Centre (SMC) IP Certified Mediator ² Mr Lenon Ong | Mr Luke Anton Netto Mr Nicholas Leow |

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| Mediation Institution | WIPO Arbitration and Mediation Center ("WIPO Center") |
| Mediator | Ms Vivienne Sandhu, SMC IP Certified Mediator ("Mediator") |
| Shadow Mediator³ | Ms Shannen Chua, IPOS Young IP Mediator ⁴ |
| Date of Mediation | 13 October 2023 |
| Mode of Mediation | In person |

Background

This mediation revolved around three Singapore businesses, Chew's Optics on the one hand, and Chew's Optics (Bishan) with Chew's Optics (Kovan) on the other.

Both parties' principal activity involves the business of optometry, where a range of eyecare services is provided and spectacle frames, lenses and contact lenses sold.

The dispute involves the use of Party A's Class 35 Trade Mark Nos. 40202200147S and 40202200146Q (collectively, the "Trade Marks") as respectively depicted below:

CHEW'S OPTICS 周眼镜公司

Party A has been using the Trade Marks in the course of his business since 1988 as a common law mark prior to its registration in 2022. In 2000, Party A licensed the Trade Marks to Chew's Optics (Bishan). The expiration of this license was contested. In 2021, Chew's Optics (Bishan) created Chew's

¹ The WIPO-Singapore ASEAN Mediation Programme (AMP) is part of the collaboration between the Government of Singapore and WIPO, under which funding for mediation is available under certain conditions.

² The IP Mediation Certification programme is a joint initiative of SMC and the Intellectual Property Office of Singapore. The programme is designed to enhance a mediator's skills in mediating IP disputes.

³ It is a condition of funding under AMP that parties allow a "shadow" mediator to attend and observe the mediation.

⁴ The IPOS Young IP Mediator initiative was launched with the objective to give more exposure and build up experience among those who may mediate or represent parties in IP mediations in future.

Optics (Kovan) and allegedly used the Trade Marks without obtaining the requisite licenses from Party A.

From the outset, parties were forthcoming with the prospect of attempting mediation to resolve this IP dispute under the WIPO-Singapore ASEAN Mediation Programme (AMP). Under AMP, the parties in a mediation case can receive reimbursement of mediation costs, up to S\$8,000.⁵

Mediation Process

Pre-Mediation Discussions

Prior to the mediation, parties submitted an agreed statement of facts; and their respective case statements furnishing further details about their perspectives and proposed solutions to the Mediator, which they decided not to exchange. During separate calls between the Mediator and lawyers for the respective parties before the mediation, the Mediator sought not only to better understand the perspectives of parties, but also the potential roadblocks that might arise and resolutions that might be amenable to parties. Through asking incisive questions, the Mediator was able to sieve out parties' interests and pre-empt potential (avoidable) conflict points.

In Person Mediation

The mediation took place at the office of CHP Law LLC. Whilst the mediation was originally scheduled for half a day in the morning, it was only successfully concluded in the evening, making it a full day mediation.

Prior to all parties meeting at the discussion table, the Mediator went into each of the holding rooms to introduce herself, explain how the mediation would be conducted, and checked how parties were feeling and if there was anything specific that she should be aware of. This helped to set expectations, dispel any concerns regarding uncertainties, and create a conducive environment for parties to express themselves. This also afforded the Mediator a first glimpse into the personalities of parties and understand some of the challenges parties might face when speaking up in the discussion room.

The Mediator also encouraged parties to share their opening statements in the room for their counterpart to appreciate their perspectives, and for parties to gain a better understanding of the challenges the other party had experienced. In requesting parties to speak up in a confidential environment, the Mediator allowed them to regain their power in sharing their viewpoints and freely express their views. With parties' views laid out, the Mediator could reframe them to pave the way for a conducive discussion. Throughout the discussion, the Mediator stepped in to reframe parties' perspectives and either inject commercial realism or invite the lawyers to do the same, for parties to better appreciate the landscape of their dispute and the alternatives available. This led to a beneficial and targeted discussion where each party's points were heard and dealt with before parties moved to the next point. It also gave parties the opportunity to add their thoughts at various junctures, knowing that their views would be respected and their queries dealt with.

During the mediation, there were points where discussions slowed to almost a standstill. At such points, the Mediator asked parties questions about the difficulties that they were facing and their hesitation with certain proposals raised, in a bid for parties to gain a common understanding and move the conversation forward.

Use of Technology

⁵ It is a condition of funding under AMP that parties agree to named publicity, without the need to disclose specific details of the settlement agreement; hence this article.

The Mediator made use of the projector available to show the Trade Marks and Party B's new proposed mark together for a side by side comparison to be made. This allowed parties the opportunity to clearly visualize the differences in the marks.

Multiple Private Caucuses and Shuttled Discussions

The Mediator also held private sessions, otherwise known as caucuses, with each of the parties. Through the use of these caucuses, parties were able to further share their concerns with the Mediator without the presence of their counterpart, and, together with the Mediator, brainstorm certain solutions that they were willing to consider. In each brainstorming session, the Mediator was quick to use the whiteboard to note down the solutions that the party thought of. This enabled the party to visualize what he/she was saying and proved to be an effective reality check as the party could see the effect of its various options. This in turn helped to streamline the options that the party would later grant the Mediator consent to share with its counterpart.

Based on the situation, the Mediator opted to have multiple private sessions which proved to be an effective use of time as parties were more willing to be flexible and share their concerns in such sessions. When leaving each caucus, the Mediator made sure to give the party some "food for thought" so that it would centre the following discussions around a particular topic. This helped focus the discussions, and allowed the issues to be dealt with systematically. In doing so, this created a constant flow of shuttled discussions, which enabled parties to topically come to multiple agreements.

Working with Lawyers

Further, the Mediator worked well with the lawyers, constantly giving them space to have discussions with clients both in the joint discussion and in caucuses, while stepping in during impasses to re-centre discussions and ensure that conversations remained constructive. Party B's lawyers acknowledged that "there were extensive preparations done by counsel on both sides in the lead-up to the mediation. This was extremely crucial in setting expectations and focusing parties on the issues. This is important to making mediation effective – that the span of possible solutions be increased as large as possible. During the mediation itself, counsel and mediator consistently worked to find avenues of consensus and compromise to pull parties closer together".

Challenge

The need for commercial realism proved to be a challenge.

From the get-go, parties each had solutions that they felt strongly about, and each believed that their legal position was strong. This stalled discussions as neither party was willing to be flexible and explore other solutions.

To mitigate this, the Mediator called for caucuses to speak to parties privately about their concerns and share with parties the commercial realities. The Mediator also used the opportunity to explore alternatives with parties, and understand their priorities. The use of tools like whiteboards for visualisation and internet searches to paint the commercial landscape ultimately helped to nudge parties forward as they started to ask more questions. Hints of flexibility then started to emerge.

The lawyers were instrumental in working with the Mediator whilst ensuring their client's interests remained protected. They also played a significant role in advising their clients on the legal realities and the recourses that would be available with each solution. With a clear understanding of their alternatives, and with the prioritisation exercise, parties were ultimately willing to be flexible to achieve a common goal, and an agreement was arrived at.

Reflections

The Mediator commented:

Parties were very positional in the beginning as this was more like a family property dispute with so many players. After many rounds of reality checking and BATNA/WATNA⁶, the parties were worn down and they could see that if there were no compromises, the impasse would continue. This dispute would continue to affect them. So each side agreed to compromise, as both sides wanted closure, to carry on their own businesses, and make their own money.

I remain firmly convinced of the incomparable superiority of a mediated resolution in comparison with the time, expense and anxiety associated with litigation, which is particularly true for quasi family/IP related matters like this case.

Party B summarised its experience below:

The mediation process was a positive experience. The mediator maintained a neutral and respectful atmosphere, allowing open communication. We are pleased with the outcome and the cooperative approach that was fostered throughout the session.

When asked how likely it was to use mediation again if there was no funding, Party B thought that it was likely to do so for its effectiveness.

The lawyers for Party B remarked:

The mediation was certainly a fruitful one which not only resolved the overt legal disputes but also included related commitments from parties that were strictly speaking out of the scope of the legal issues. This was made possible only with mediation, and is not achievable with litigation. The disputing parties were ultimately family members and it was desirable to assist them resolve all issues within a day than be put through long-drawn and acrimonious litigation proceedings.

The lawyers for Party A reflected as follows:

We had a couple of difficult hours during the mediation, but it is indeed heartening to see counsels working together to advance our respective client's interests and resolve the dispute as best as we can. We had a fantastic mediator, which ultimately helped to conclude the mediation with a positive result! (Dixon Soh)

While this matter presented its challenges, it was truly uplifting to have witnessed the parties diligently hearing one another's perspectives and achieving a mutually beneficial outcome, without having to go through the litigation route. (Lenon Ong)

As a Young IP Mediator shadowing the Mediator, I felt extremely privileged to be given the opportunity to be a part of a successful IP mediation.

⁶ BATNA and WATNA are two key concepts in mediation and negotiation. "BATNA" is an acronym for "Best Alternative to a Negotiated Agreement." "WATNA" is an acronym for "Worst Alternative to a Negotiated Agreement." They are useful tools for evaluating and comparing different possible options for settlement.

Since my mediation exposure has only been limited to hypothetical practices in school and during competitions, I drew parallels between mediations in a controlled environment and in a commercial context where parties' livelihoods are on the line.

One of my biggest takeaways was the **power of emotions** in a mediation. While hypothetical problems in school do sometimes involve emotions as an undercurrent, parties (role played by fellow students) were almost always willing to put emotions aside to focus on the task at hand. I now understand how emotions, whilst not necessarily at the forefront, had a significant impact in the way parties view the matter differently. Also, in an actual commercial mediation, compartmentalisation of various matters and feelings become significantly and understandably a lot more difficult. In such situations, I realised the importance of focusing first on unpacking those emotions to understand the root cause of the dispute, before working towards a solution. I also learnt the importance of building with a solid foundation, as otherwise, any additional storeys ("proposals to resolve the dispute"), no matter how reasonable, may still be viewed with suspicion and collapse.

Another takeaway I had was the importance of **building rapport** between the Mediator and parties. In this mediation, right from the outset, the Mediator was conscious to make parties feel comfortable through personal introductions in holding rooms and detailed explanations about the processes. The Mediator also made parties feel comfortable by striking a delicate balance between appropriately summarizing, for parties to feel heard; and giving them the opportunity to express themselves. The Mediator in skilfully deciding when to interject, when to call for caucuses, and when to allow parties to communicate their opinions to one another, created a conducive environment for discussions. Together with the lawyers, the parties were ultimately able to effectively convey their opinions and emotions to their counterpart, which promoted an open and transparent sharing. Through this, I realized how effective seemingly small acts by the Mediator can be to create a comfortable environment for parties to share their perspectives and work towards a common goal.

Conclusion

The mediation lasted for about eight hours and a settlement agreement was ultimately achieved. I am grateful for this opportunity to learn from a highly skilled Mediator, and to witness how the lawyers were able to effectively protect the interests of their clients whilst moving the discussion forward. This experience has offered new perspectives on how mediations are conducted, and I look forward to more opportunities in the future.

Written by Shannen Chua, Young IP Mediator
8 November 2023