



# Case Studies: Effective Use of IP Assets by SMEs

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Ya Kun Kaya Toast  
Coffee stall since 1944



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*“Ya Kun has transformed itself from a small mom-and-pop stall to a successful international franchise company in a very short time. Within four years of starting the franchise system, which was only possible by obtaining IPRs, Ya Kun’s franchises accounted for half of its business and about 20% of its net profit before tax. By 2007 this number approached 30%.*

*The company entered into a master franchise agreement with investors in Indonesia in 2003, in Taiwan in 2005 and in Japan and Korea in 2007. It received product awards from 2005 to 2007 from the Singapore Institute of Food Science and Technology and received recognition as a Singapore “Superbrand” by the international Superbrand Organization (an organization recognizing consumer brand excellence) in 2004 and 2005.*

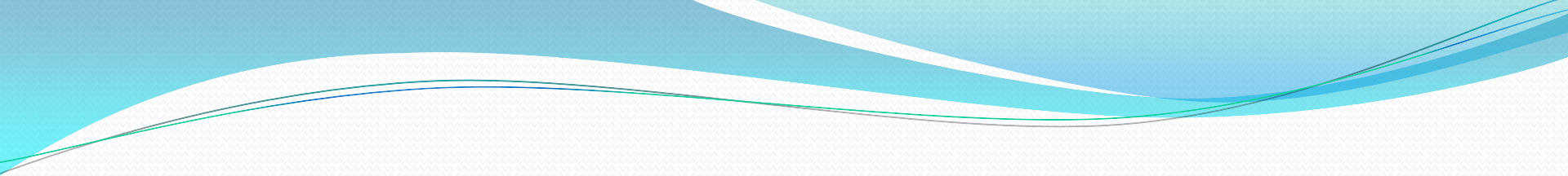
*By 2010 Ya Kun International had 40 locations throughout Singapore and 30 international locations in Brunei, Indonesia, Japan, the Philippines, Korea and Taiwan.”*



Adrin Loi manages the entire operations of Ya Kun, a business spanning several outlets in Singapore and other parts of Asia such as Indonesia, Japan and Korea. These developments are impressive, considering that it was only in 1998 that Ya Kun Kaya Toast was a small coffee stall operating out of a temporary market, uncertain of its fate.

- Ah Koon is the name of Adrin's father who was one of many immigrants from Hainan, China, harbouring hopes of a better life in Singapore. Reaching Singapore's shores as a wide-eyed 15-year-old, he started a coffee stall business. He carried on the business with the aid of his supportive wife, selling tea, coffee and kaya toast. The stoical Ah Koon started his long workday at 5 am and would be at the stall until late at night, coming back home only for dinner. A wooden countertop at the stall was where the elderly Ah Koon slept and rested. Without the luxury of modern-day electrical appliances, grinding coffee beans in drum rolls and toasting bread using charcoal were tedious and backbreaking tasks.
- However, his 8 children proved to be handy and it was then that Adrin picked up the tricks of the trade. *"There is only one stall and all of us are workers ... we all helped out at the stall. It's amazing, it's just coffee and bread, and my dad with his bare hands raised all the children,"* he recalls.





*Adrin decided to license the use of the trade mark "Ya Kun"  
and franchise his business*

“Very simple, we tell them franchising is like a marriage between franchisee and franchiser. We want them to win also. if they win, we are happy also. If we are not doing something good, we would not want to encourage them also. How do we shortlist? We ask them if they have F&B experience or not, whether they want to just invest in the business, we always advise them that someone has to be responsible for the business, not just put the money there and do nothing. The money does not grow by itself - it needs hard work. You need workers to provide good service and good food ... the easiest one is the multi-franchise, where they already have some franchises with us and they want to open another one, multiple franchises, so we just have to look for another location for them ... it is easier for us too because there are less human links to handle. If I work with two or three, it is better.”

The logo for 'EC HOUSE' is centered on a white background. The letters 'EC' are large, bold, and feature a vertical color gradient from red at the bottom to orange at the top. They have a thick black outline and a 3D effect with a grey drop shadow. Below 'EC', the word 'HOUSE' is written in a blue, sans-serif font with a white outline and a 3D effect, appearing to sit on a green rectangular base. The entire logo is set within a white square frame.

**EC**  
**HOUSE**



## Our

## Cutting

## Procedures!

With the advance technology and innovative concept, a “traffic light” is suspended outside at the shop front that informs customers of the waiting time for their haircut. The light is inked to the waiting bench with a sensor that detects the number of waiting customers. The traffic light consists of 3 parts - green signal indicates customers will be served immediately, amber signal indicates customers should expect a short wait and the red signal indicates customers should expect to wait for around 15 minutes before they will be served.



Customers will be served immediately.



Customers should expect a short wait of up to 5 till 10 minutes before they will be served.



Customers should expect to wait for around 15 minutes before they will be served



## Step 1 -

When customers enter EC House, our friendly staff will warmly greet them "Konichiwa"! Customers will then be directed to slot in a S\$10.00 note into the vending machine located at the entrance. When the note is accepted, the machine will issue a ticket for the customers to hold on to and wait for their turn to have their haircut. With the hassle free concept, customers need not call up the outlet to fix appointment for their haircut. EC House serves any walk in customers for any hairstyle, length and design.



## Step 2 -

Customers can then proceed to an available hairstylist for their haircut with a natural finishing by our Japan-trained hairstylists!



### **Step 3 –**

Our hairstylists will then use the revolutionary “Air Washer” method to clear off the cut off hair effectively and thoroughly without getting the customers’ hair wet!



## A Few Lessons

1. Identify your strength(s);
2. Ascertain whether you can obtain IP protection for the subject of your strength(s);
3. Leverage on the strength(s) and IP protection;
4. Spread/share your strength(s) with others and earn licence fee, royalties and other financial rewards whilst doing so!



# Awkun

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