

Dear IPBA Members,

As an international association of business lawyers whose focus is the Asia-Pacific Region, we are keenly sensitive as to how globalisation continues to transform the economies of this region, as well as how economic developments within this region affect, and are affected by, the global economy. In recent decades, the Asia-Pacific region has become the most dynamic in the world. The emergence of China and India, as dominant emerging economies within this region coupled with Brazil and Russia – the so-called BRIC countries – already reveals significant changes in trade and investment patterns that may possibly overshadow traditional trade and investment flows with Europe and North America.

An integral dimension of this transformation is in the manufacturing realm, which today spans ideas, products and services, superseding the traditional production solely of goods. A recent study of global competitiveness¹ concludes that “this post-industrial manufacturing ecosystem represents a complex and highly integrated globalised value web”, which includes “cutting-edge science and technology, innovation, talent, sustainable design, systems engineering, supply chain excellence and a wide range of smart services, as well as energy efficient, sustainable and low carbon manufacturing”. These forces are “reshaping the drivers of economic growth, wealth creation, national prosperity and national security”. Among the key drivers of competitiveness are talent-driven innovation emanating from scientific and technological innovation, as well as economic, trade, financial and tax systems, and legal and regulatory systems.

For us, as business lawyers, these recent findings confirm much of what we already know and deal with on a daily basis in our professional work. What is striking, nonetheless, are the breadth and depth of these transformations, how they are intimately linked with business, economic, scientific and technological developments, and the pace at which these changes are occurring, accelerating and permeating in almost all areas of business and social activities. These are factors about which we, as legal professionals, are not often fully aware. Nonetheless, their implications are pervasive and increasingly obvious. Clearly, intellectual property rights, technological transfer arrangements, cross-border investment transactions, enactment and enforcement of business and economic laws, the strengthening of capital markets and securities and investment regimes, environmental and “green” requirements, labour and immigration regimes, communications and data storage and transmission systems, resulted data privacy matters and more are familiar aspects of our business law practices. However, although the traditional boundaries of legal practice have become increasingly blurred, we are also seeing new areas of legal practice emerging from the transformation of business practices and arrangements, as well as new demands for public policies and legal and regulatory schemes to shape, promote and regulate these new areas of business activities.

Much of what I have described above focuses on “innovation”, and specifically what the global competitiveness study calls “talent-driven innovation”. Indeed, because of these ongoing transformations, IPBA’s Annual Meeting and Conference, to be held in Kyoto/Osaka from 21-24 April, 2011, will focus on innovation, including how

innovation is affecting companies and firms and where innovation may lead to in the future. The Kyoto Annual Meeting and Conference will also explore how innovation, in general, affects and will affect areas of our business and legal practice. The globalisation of legal codes, model laws, best practices and similar efforts at harmonisation of laws, to keep pace with developments in international business and commerce, has already affected national legal systems of virtually all IPBA jurisdictions. These efforts will undoubtedly continue under the auspices of organisations like UNCITRAL, OECD, the UN and its various agencies and functional organisations, but also through APEC, ASEAN and non-governmental organisations such as The World Economic Forum and various global partnerships of governments, businesses and NGOs. All of these will affect not only the substantive practice of business law but will also continue to shape how people live their lives, shape their aspirations and define their opportunities. Moreover, they also underscore the basic need for the rule of law as the foundation on which sustainable economic development and activity can take place and flourish.

In 2010, the IPBA at its Annual Meeting and Conference in Singapore became the first association of lawyers in the Asia-Pacific Region to address issues of climate change and its implications of the practice of law. In the coming year, and following in the same tradition, the IPBA will address innovation and its implications for the practice of law. In this way, the IPBA continues to keep our members abreast of transformations in the law and the practice of law in this region, and what we might be able to foresee in the coming years as a result of changes in our larger societal environments. It also enables us to explore how to promote the rule of law in shaping how these activities should take place. The IPBA's 2011 Annual Meeting and Conference in Kyoto/Osaka promises to be a very significant event and I look forward to seeing you there.

With all best wishes.

Gerald A. Sumida
Secretary-General