

# ZICO IP

## & ZICOLaw Network

May 2019  
Brief IP Updates: Malaysia &  
ASEAN Countries

ASEAN INSIDERS  
by origin and passion



- ZICO IP is part of ZICO, an integrated network of multi-disciplinary firms committed to guiding their clients to success in Southeast Asia (SEA) through practical and deeply knowledgeable professional advice and assistance
- ZICO is present in all 10 ASEAN countries with offices in 18 cities across the SEA region. It is a deep-rooted network of home-grown offices in the region
- With our footprint firmly in the region, ZICO provides access to over 700 staff including 400 legal professionals and consultants that offer legal, advisory and transactional know-how, skills and services

# ● The ZICO Law network



## Multiple points of entry across all ASEAN jurisdictions

**ZICO is an integrated network of multidisciplinary professional services tailored to help our clients succeed in the ASEAN countries.** We offer services (legal, trust, corporate and administrative support) together with in-depth skills and experience that our clients need to get to the most cost-effective solution within the shortest time frame.





- ZICO IP provides a full spectrum of legal and consultancy services –
  - protection, commercial exploitation, enforcement and litigation of all types of IP rights
- Our services –
  - Prosecution & Registration
  - IP Litigation & Dispute Resolution
  - Enforcement & Anti-piracy
  - Transactional IP
  - IP Valuation & Management
  - Regulatory

“ZICO’s strong ASEAN presence makes it a compelling choice for brand owners in need of regional protection and for those who want to take advantage of the cost-efficiency that comes from having a single point of contact. Among the firm’s top IP specialists – across all its offices – is **Linda Wang**, a proficient litigator and mediator who has a magic touch when it comes to complex infringement and counterfeiting cases. Another contact is **Su Siew Ling**, a mercurial all-rounder who has set several precedents in court.”

*The World’s Leading Professionals – WTR 1000*

“The firm is singled out for its sophisticated offering in IP litigation. A client says: “They performed well past my expectations. They were very responsive, knew the law very well and came up with a very good strategy for a tricky litigation.”

*Chambers Asia-Pacific  
Client Feedback*

““Highly responsive and extremely professional’.”

*Legal 500 Asia-Pacific*

“IP protection and enforcement are central pillars at ZICO IP, bringing a refined yet diverse skill set to bear on complex contentious briefs.”

*World Trademark Review*



# ZICO IP in ASEAN

- With ZICO IP teams in all of the ASEAN countries, we are able to offer –
  - **Seamless service delivery** across countries in the region
  - **Consistent service levels** throughout the region no less than what our clients expect
  - **Single contact point** for services
  - **Consolidation of client's evidence, data and information** – we organise it and make it available for use in cases in more than one country
  - **Single layer pricing structure** (including consolidated invoicing for multiple jurisdictions)
  - **Economies of scale** (better pricing and increased efficiency –time, costs and management resources)
  - **Regional knowledge: Better handling of cases** due to knowledge of client's rights on a regional rather than per country basis



# IP Updates/ Recent Developments



### CAMBODIA

- Cambodia already has co-operation agreements with **Singapore** (IPOS) and **Japan** (JPO) for the examination and grant of patents in Cambodia, as well as Agreement on Patent Validation with the **European Patent Office** (EPO). Any patent granted by the EPO can be validated in Cambodia within 3 months of its grant publication date and it will be protected as a Cambodian patent.
- In March 2018 and in recognition of the considerable Chinese investments in the country, it became possible to validate **Chinese** invention patents in Cambodia in the same way as EPO granted patents. The validated Chinese patent can enjoy protection for the full period of 20 years (from the original filing date in China) provided annual renewal fees are paid.





### LAOS

- **Patents** – Like Cambodia, Laos also entered into a co-operation agreement with China in April 2018 to establish effective bilateral IP co-operation.
- Amongst others, under the agreement, Laos will admit the examination results of Chinese invention patents for purposes of patent grant in Laos.
- **Trade Marks** – It is now possible to oppose a trade mark application in Laos within 60 days of its publication. It is also now possible to apply to register 3D-images and animated images as trade marks.



### INDONESIA

- Regulation MFR No. 40/2018 came into force in June 2018 with specific provisions on:
  - Recordation of **trademark** and **copyright** (patent and design rights may not be recorded) with the Directorate General of Customs and Excise
  - Preventative measures; and
  - Guarantee by the applicant; and
  - Customs suspension order
- **Customs Recordation** – The applicant for recordation must be domiciled in Indonesia and must appoint an examiner. The Customs Office must decide within 30 days of the application if the recordation is approved or refused. If approved, it is valid for one year and may be renewed



### INDONESIA

- **Preventive Measures** – The Customs Office may detain and take preventive measure against any import and export of goods that are suspected to be fakes or that infringe the recorded IP right. Upon notification of possible fakes by Customs, the IP owner must within 4 business days, file request for a customs suspension order to the Commercial Court and pay deposit guarantee of IDR 100 million
- **Guarantee** – This is to cover any operational costs incurred by the suspension order.
- **Customs Suspension Order** – If the suspension order requested by the applicant is granted by the Commercial Court, the Customs will enforce it within 10 working days (extendible for another 10 days). The owner's examiner will be required to attend to inspect the detained goods with Customs to confirm that they are fakes or infringing goods.



### INDONESIA

- **Trade Marks** – Indonesia acceded to the Madrid Protocol on 2 October 2017. Since then, it has since received more than 2000 applications under the Protocol.
- **Copyright** – From 2018, the copyright recordal process has been simplified and must be submitted via the IP Office's online system. Manual submission is no longer possible. This change is welcomed as the recordal can be completed faster, within 1 to 2 weeks, a marked improvement from previously.
- **Designs** – Amendments to the design law are being drafted to provide for Indonesia's planned accession to the Hague Agreement for international registration of designs.



### **MALAYSIA**

- **Trade Marks** – Malaysia is one of the last remaining Asean countries (aside from Myanmar) that has not acceded to the Madrid Protocol.
- This will change soon with the introduction of a new Trade Marks Act (to replace the current out-dated Trade Marks Act 1976). The Bill for the new TMA received its first reading in Parliament this April. The second reading is expected to take place in August. If all goes as planned, the TMA will likely be in force by the first quarter of 2020.



### MALAYSIA

**New Trade Marks Act** – The changes introduced include:

- Trade mark protection via the international registration route under the Madrid Protocol
- Registration of non-traditional marks (e.g., colour, shapes, sounds)
- Multi-class filings will be possible
- An application/registration may be divided into two or more applications/registrations and multiple applications/ registrations can be merged into a single one





### MALAYSIA

**New Trade Marks Act** – The changes introduced include:

- Infringement is extended to also cover goods or services similar to that registered (at present, to infringe, the defendant's goods/services must be the registered goods/services)
- Additional damages is expressly provided as added relief when rights are infringed
- Proceedings may be taken against a person who threatens infringement without justification, including for an injunction to restrain the threats and damages suffered
- Criminal offences relating to trade marks (including counterfeit use) are consolidated in the TMA (at present, they are provided under the Trade Descriptions Act 2011)



### MALAYSIA

#### Guidelines on Intellectual Property & Competition Law

- The Malaysia Competition Commission (MyCC) issued the Guidelines on IP on 5 April 2019. The objective is to reconcile the exclusive rights given by IP and unjustified restrictions on competition
- In general, MyCC considers IP licensing to be pro-competitive. MyCC has said that it will be careful to ensure that its intervention does not interfere with incentives to innovate
- However, MyCC may act against anti-competitive provisions in agreements or abuse of dominant position by IP owners (e.g., restricting production or market access, excluding competitors from the market or restricting technical development or investments)
- No limitation period for investigation of a breach of competition law



### **MALAYSIA**

#### **IP Policy Under the New Government (Pakatan Harapan)**

- There is no change by the new Pakatan Government to the National IP Policy that was first promulgated in July 2007
- The Government remains committed to developing IP as a key driver to the growth of Malaysia's knowledge-based economy and to the country's social and economic prosperity
- As a first task, the Government acted to pass the new TMA to bring much needed update to our trademark law. The new TMA received its first reading in Parliament this April
- Next, amendments to the Patents Act 1983 are expected to be passed by end-2019 and in force in 2020. After that, amendments to the Copyright Act 1987 are to be passed and in force by 2021



### MALAYSIA

#### Customs Recordation

- There is no new policy or initiatives to enhance Customs inspection and seizures of counterfeits at the border
- It remains that there is no recordal system of registered trade marks with the Malaysian Customs. We understand that the MDTCA and Customs have no plans at present to implement a recordal system
- Nevertheless, in early 2017, Customs agreed to participate in the Joint Customs Operation (JCO) to combat counterfeit importation and transboundary movements of auto parts in collaboration with OLAF and ASEM Customs. As a result, containers with auto parts of unverified source or suspected to be fakes have been detained and IPR owners promptly contacted to confirm authenticity of the parts



### MYANMAR

- **Trade Marks** – Myanmar passed its first trade mark law in January 2019. It will be some months before the law can be in force because matters necessary for its implementation (e.g., regulations, filing forms, official fees) are yet to be finalised.
- At present, it is still possible to “register” ownership of a trade mark with the Office of the Registration of Deeds as has been done all these time when there was no trade mark law.
- The new Trade Marks Law expressly recognises the trade mark ownership declarations that are registered with the Registration Office. It would seem worthwhile to continue with such registrations pending the implementation of the TM Law.



### MYANMAR

- **Trade Marks** – The exact documents required when filing to register a trade mark are not yet known pending publication of the regulations. However, the filing details specified by the Trade Marks Law are:
  - **applicant's name and address, company registration number (if the applicant is a company)**
  - **goods/services description**
  - **priority details together with documentary evidence of the priority filing (priority claim is allowed notwithstanding that Myanmar is not yet a member of the Convention); and**
  - **if the mark was earlier registered at the Registration Office, documentary evidence of such registration.**
- The application may be filed in English or in the local language





### MYANMAR

- **Trade Marks** – To prepare for the coming into force of the Trade Marks Law, it will be prudent to:
  - Identify the marks that are to be applied for registration as the filing date of the application will be accorded based on a first-to-file basis
  - Compile details together with true copies of the registrations of Declarations of Ownership for each of the marks, going back to the earliest of such registrations
  - Ascertain the filing details (applicant's name, address) and the descriptions of goods and services that are to be claimed by each of the marks for registration
  - Prepare the priority claim documents (if it's possible to claim) after the coming into force date of the new Law is known



### MYANMAR

- **Designs** – Myanmar also passed its first industrial design law on 30 January 2019. It is yet to come into force pending establishment of matters necessary for its implementation, including regulations, filing forms and official fees.
- A registrable industrial design must not only be new but must be original (created without imitation).
- The author of the design has the right to apply for protection. However, the employer is entitled to be registered as owner in respect of an employee-created design (if there is no contrary agreement between the employer and the employee-author).



### MYANMAR

- **Designs** – It is possible to claim priority based on the Paris Convention or WTO provided the claim is made within 6 months of the first filing.
- Upon registration, protection is granted for 5 years from the filing date. This term can be extended for two 5-year terms, giving a total protection period of 15 years provided renewal/extension fees are timely paid. Late extension is possible within 6 months after the expiry date. Surcharge fees apply for late extensions.
- The new Law provides for international registration of the design in the event Myanmar accedes to the Hague Agreement



### MYANMAR

- **Patents** – Myanmar passed its first Patent Law on 11 March 2019. The usual criteria of novelty, inventive step and industrial applicability are required before patent will be granted
- In addition to the usual non-patentable subject-matters, the following are expressly provided to be non-patentable:
  - Pharmaceutical products and manufacturing process
  - Chemical products for agricultural uses
  - Food products; and
  - Microbiological products



### MYANMAR

- Patent protection for pharmaceutical inventions is exempt until 1 January 2033 and for the rest (chemical products for agricultural uses, food products and microbiological products) protection is exempt until 1 July 2021
- The exemption from patent protection is in accordance with the TRIPS Agreement for Least-Developed Countries. An extended transitional period is allowed before Myanmar recognises patent rights for certain types of inventions
- It will take some time more before the Patent Law is in force as matters necessary for its implementation are still being established (e.g., the Patents Office, trained examiners, regulations, official fees)



### THAILAND

- **Patents** – The Patent Office has recruited more patent examiners to help clear the current back-log in examination. It will also be releasing an updated examination handbook to improve consistency and quality of examination by its officers. The objective is to reduce the number of inappropriate or unwarranted office actions that contribute not only to the delay and backlog but also increases prosecution costs unnecessarily.
- Amendments to the Copyright Act are expected to be passed soon to make it an offence to avoid technological security measures to circumvent copyright. Liability for four types of service providers (intermediary, caching, hosting and information location tools) will also be limited.





### VIETNAM

- **Patents** – The IP Office (NOIP) has signed a Memorandum of Understanding (MOU) with the Korean IP Office (KIPO) to establish a patent prosecution highway (PPH) to reduce the patent prosecution time. This will come into effect on **1 June 2019** for a period of 2 years.
- Under the PPH, any application filed with the NOIP that is of Korean origin (either by applicant or first filing) will be able to have a faster prosecution process if all requirements for grant are met.
- The number of applications that may go under the PPH arrangement is limited to 100 applications per year.



### VIETNAM

#### Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

- The CPTPP is a free trade agreement signed on 8 March 2018 between 11 countries: Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, Peru, New Zealand, Singapore and Vietnam.
- The CPTPP entered into force on 14.1.2019 for Vietnam. Amongst others, it introduced a number of changes from an IP perspective. Some of the changes are –
  - **No compulsory recording of a trade mark licence for the licence to be valid (Article 148 of Vietnam's IP Law made it necessary to record)**

## VIETNAM

- The owner may claim the benefit from an appointed licensee's use of the trade mark
- A regime for resolving domain name disputes involving country code top-level domains (ccTLD) is to be established (it may be modelled on the UDRP resolution process)
- To disregard prior disclosures by the applicant occurring not more than 12 months prior to the filing date in determining novelty of an invention for patent grant (the existing law must be amended to give effect to this)
- To recognise exhaustion of rights for copyright and related works (to make clear that parallel imports do not infringe)
- To provide for punitive or statutory damages for breaches of IP rights



## ASEAN INSIDERS, by origin and passion

BRUNEI | CAMBODIA | INDONESIA | LAOS | MALAYSIA | MYANMAR | PHILIPPINES | SINGAPORE | THAILAND | VIETNAM

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Thank you

