# IPOTENTIAL









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### Merry Christmas & Happy New Year

**Greetings from Pintas IP Group** 

Pintas IP Group wishes you a joyous celebration and prosperous days ahead. Also, we are monitoring closely new directions from IP Offices in ASEAN countries.

In the interim, we are giving our best endeavors in ensuring operational continuity for your Asean IP needs through our customer service and e-services platforms, Pintas Digital Platform (eCommerce), and IP Hall Case Management System (management and monitoring module) accessible 24 hours every day.

Once again we thank you for your continued support in this uncertain time, our thoughts go out to those who have been affected by this difficult time and we pray for your good health and well-being.

# MALAYSIA IP NEWS UPDATE Latest Development on Parallel Importation and Trademark law in Malaysia

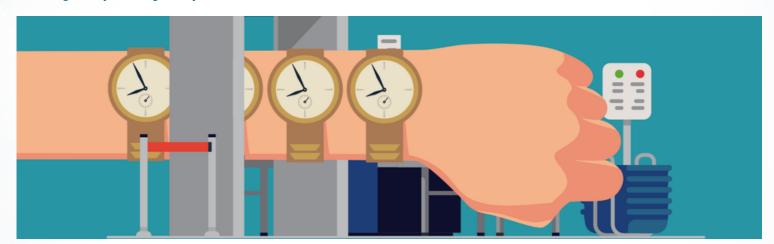
Parallel imports (known as grey market goods) refer to goods which are lawfully manufactured oversea but bypass the official franchise holders or distributors import into and sell in the country without the authorisation of the registered proprietor of the trademark in that particular country.

#### Legality of Parallel Imports in light of Trademark Law in Malaysia

Malaysian Trademark Law generally does not prohibit parallel importation. In particular, Section 40 (l)(d) and (dd) of the TMA 1976 "legalise" parallel importation by providing that parallel imports are permitted if the registered proprietor has:



- Legitimately applied the registered mark on the goods and such mark has not been subsequently removed (Section 40(1)(d)); or
- Expressly or impliedly consented to the use of the mark (Section 40(1)(dd)).



Section 40(1) is closely related to the principle of "trademark exhaustion". This means that when the brand owner sells a product through its subsidiary companies (ie. with the consent of the owner) in any territories which bear the same trademark, his trademark rights are said to have exhausted, and he has no right to ban others from reselling or using the product.

In the case of Winthrop Products Inc & Anor ("Panadol case"), the plaintiff and the defendant were subsidiaries of the same Sterling group of companies and when the defendant bought the pills in United Kingdom, the plaintiff was deemed to have impliedly consented to the importation of the products. The court held that there is no prohibition against the defendants importing the painkiller into Malaysia unless there is a contractual restriction.

Conversely, in the High Court case of Re PT Garudafood Putra Puri Jaya TBK [2019], the Court relied on Section 35 of the TMA 1976 which stated that only the registered proprietor has the exclusive right to use the trademark in Malaysia to the exclusion of all others. As a result, the Court held that the products which were sold in Malaysia contained false trade descriptions and that such products were brought into Malaysia through unauthorized parallel importation and would constitute unfair business competition.

Despite the opposing perspectives in these precedent cases, the defence of parallel importation in Section 40(1) will take precedence over the general exclusive right granted to a registered proprietor under section 35(1) of the TMA 1976 if they fit within either the exception in Section 40 (1)(d) or (dd) TMA 1976.

## Position of parallel importation under the new TMA 2019

Under the new TMA 2019, the corresponding provision to Section 40(1)(dd) of the TMA 1976 is stated in Section 55(3)(c) of the TMA 2019. However, the Section 40(1)(d) of the TMA 1976 is not incorporated under the new TMA 2019. This raises the concern of whether the legal position of parallel importation in Malaysia will change.

The recent Malaysia Federal Court decision dated 3 June 2022 in Guangzhou Light Industry & Trade Ltd & 2 Ors vs Lintas Superstore Sdn Bhd is helpful in shedding some light on this issue. In this case, the products were labelled "to be sold in China only" which has imposed territorial restrictions on the products and also the defendant was neither an existing customer of the plaintiff nor a known exporter/distributor of the products for the consent to be implied or deemed.

The facts of this case are different from the Winthrop case where there were no territorial restriction on the exportation of the product and neither were there evidence of any conditional sale of the product and (2) knowledge on the part of the plaintiffs that defendant is an existing customer of theirs and an exporter of the goods so the court can infer there were implied consent to reselling.

On top of that, the court in this case also take into consideration the "material differences standard" approach adopted in Re PT Garudafood Putra Putri Jaya TBK and ruled that the defence of parallel importation cannot be invoked when the infringing products in the export market are materially different in content, quality and packaging from the goods authorized for sale within domestic market as that would create confusion amongst the consumers and would constitute trademark infringement.

The Court found that trademark infringement and passing off had occurred in this case.



#### Conclusion

The sustained investment in RIE will be the springboard for enterprises, people and community to emerge stronger together in a COVID world and a changing global economy. By harnessing science and technology, competitiveness and resilience of the vast industries may be strengthened, countless jobs created, and new opportunities present for Singaporeans, further enhancing Singapore's liveability and sustainability to improve the lives of its people.

Prime Minister Lee Hsien Loong said that the scientific mindset is critical. Pointing out that astronomers had discovered mysterious circles in the cosmos using a new massive radio telescope in Western Australia, he said: "Whether it's discovering mysterious radio emissions or developing vaccines against COVID-19, science is exciting and important. The scientific mindset – exploring the world and understanding it rationally and empirically – is crucial to Singapore. This is true not just in R&D work, but more fundamentally to the ethos of our whole society."

Mr Lee, who chaired the Research, Innovation and Enterprise Council meeting, added: "Our continued investments in R&D will sustain our competitiveness and bolster our status as a tech and innovation hub... With the profound uncertainties ahead, RIE2025 will be a crucial differentiator in refreshing our economic strategy, and securing our future for a post-COVID world."

# MALAYSIA IP NEWS UPDATE Philippines's Revised Implementing Rules and Regulations (IRR) for Patents 2022



The Intellectual Property Office of the Philippines (IPOPHL) issued The Revised Implementing Rules and Regulations (IRR) for Patents which took effect on 20 September 2022. Under the amended IRR, some notable key changes will be taking place:

## 1. Introduction of accelerated substantive examination

Prior to this new provision, there is no accelerated substantive examination for patents, patent applicants can only expedite the prosecution of patent applications by filing a special accelerated examination request under (a) the Asean Patent Examination Co-operation Programme (ASPEC) or (b) Patent Prosecution Highway Programme (PPH).

Now, with the amendment, applicants may directly file a request for accelerated substantive examination after the application has been published in the IPOPHL e-Gazette and the request for substantive examination has been filed. Granting of an accelerated substantive examination is subject to the approval of the director of the Bureau of Patents (BOP).

## 2. Extension period for filing response to office action has been shortened

Prior to this amended IRR, it allows for a maximum of two two-month extensions of the period for responding to office action.

Now, with the amended IRR, it is limited to a maximum of two one-month extensions. This is meant to encourage applicants to submit responses on time, hence improving turnaround time.

## 3. Period to file appeal with respect to final refusal has been shortened

Prior to the amendment, it requires that a notice of appeal be filed within four months of the mailing date of the notice of final denial.

Now, under the amended IRR, it requires that a notice of appeal be filed within 30 days after the date of mailing the notice of final rejection.

#### 4. Requirement on Power of Attorney

At the time of filing, a general or particular power of attorney is now necessary. If a power of attorney is not submitted at the time of filing, the application may be ruled incomplete. General powers of attorney no longer require notarization, and e-signature is now accepted.

#### 5. Summary of Invention is required

A summary of the invention section is now needed in the description, and failure to provide one may result in the application being judged incomplete.

#### 6. Divisional Applications

Prior to the amendment, voluntary divisional applications must be filed before the parent application is withdrawn or granted.

Now, under the amended IRR, Voluntary divisional applications can now be filed within four months from the date of grant or withdrawal of the parent or earlier divisional application. When a requirement to divide due to a lack of unity objection (ie. Mandatory Divisional Application) is made final, it is now possible to appeal the requirement and request that the four months period to file mandatory divisional applications starts only after the appeal is resolved instead of the previous standing whereby the divisional application needs to be filed within four months after the examiner issues a final objection as to lack of unity.

## 7. Extension of time to file Mandatory Divisional Application

An additional two (2) months extension of time to file mandatory divisional applications may now be granted.

## 8. Period for Filing a Petition to Revive a Withdrawn Application

The time limit for filing a petition to revive a withdrawn application has been reduced from four months to three months from the mailing date of the notification.

DOWNLOAD FULL IRR: HTTPS://PDF.AC/XINVR

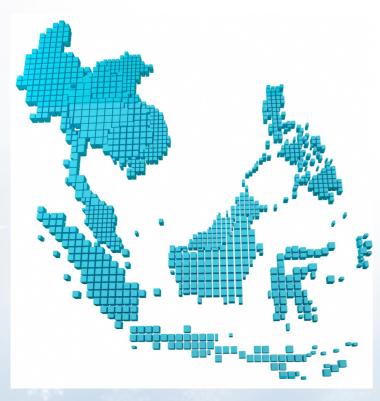
#### MALAYSIA IP NEWS UPDATE

### Singapore and Thailand Government agreed to develop new mechanisms for Intellectual Property (IP) Protection



In the Sixth Singapore-Thailand Enhanced Economic Relationship Ministerial Meeting (STEERMM) held in Bangkok, officials from both countries reached a consensus on numerous agreements to strengthen their economic ties. The Ministerial Meeting was co-chaired by the Minister for Manpower and Second Minister for Trade & Industry of Singapore Dr. Tan See Leng & His Excellency Mr. Jurin Laksanawisit who is the incumbent Deputy Prime Minister & Minister of Commerce of Thailand. The fruitful ministerial meeting deepened the cooperation of both countries in various fields and industries, including trade, investment & intellectual property protection.

Being the fourth partner of Thailand among other ASEAN state members, Singapore collaborates with Thailand to strengthen Intellectual Property (IP) protection in both regions through their official agency. The Intellectual Property Office of Singapore (IPOS) and the Department of Intellectual Property Thailand (DIP) have exchanged opinions on the current mechanisms and decided to roll out the pilot Bilateral Collaborative Search & Examination (S&E) Programme to assist entrepreneurs and innovators to expedite the cumbersome process and obtain Intellectual Property protection in a more efficient way. IPOS and DIP have signed a Government-to-Government Memorandum of Cooperation that marks a new chapter of IP partnership between Singapore and Thailand government.



The Bilateral Collaborative Search & Examination (S&E) Programme is an initiative under the Implementation Workplan 2022 – 2024. IPOS and DIP being the forerunners to establish transnational cooperation for IP protection will definitely make a positive impact to encourage other ASEAN member states to take part in the said initiative.

In a nutshell, entrepreneurs and innovators are pleased to welcome more policies that assist them to transform their ideas into their most valuable assets. The Bilateral Search and Examinations Programme is certainly a new milestone for intellectual property development in the ASEAN region.

In PINTAS, we always believe that intellectual property rights are the most valuable asset of your business. With over 20 years of experience, our professional team are ready to serve you in the most effective and efficient way. If you have any IP related inquiries, please do not hesitate to consult us.