

Thailand

Contributing firm

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1. Legal framework

The legal framework for the protection of intellectual property in Thailand, and in particular trademarks, is set out in specific *sui generis* statutes and various implementing ministerial regulations that are enacted from time to time to define fully the mechanics of protection.

National

Thailand has a standard system of trademark registration. It is currently implementing the Trademark Act BE 2534 (AD 1991), as amended by the Trademark Act (No 2) BE 2543 (AD 2000), which became effective on June 30 2000. The amendment broadened the types of mark that can be registered, in addition to extending priority rights to nationals of all contracting states to treaties to which Thailand is also a signatory. Other statutes that play a central role in the protection of trademarks include the Civil and Commercial Code, the Penal Code and the Consumer Protection Act.

International

Thailand is a party to the following international treaties:

- the World Intellectual Property Organization, since December 25 1989;
- the World Trade Organization, since 1995; and
- the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs).

However, Thailand's IP laws remain insular. Other than the foregoing, Thailand is not a party to any international treaties relating to intellectual property. It is expected that Thailand will join the Madrid System in the near future, but until then applicants for trademark registration in Thailand will be obliged to pursue their applications directly before the Thai Department of Intellectual Property (DIP).

2. Unregistered marks

Protection

Although trademarks in Thailand may be used without registration, the proprietor of an unregistered mark will face greater difficulty in seeking to enforce its rights in the face of infringement. The most effective remedies against trademark infringers are found in the Trademark Act, but are specifically reserved for registered mark proprietors. Nevertheless, Section 46 of the act does recognize that the proprietor of an unregistered mark may take a civil action for passing off under the Civil and Commercial Code. Section 420 of the code sets out a tort-like provision that is worded sufficiently broadly to enable an unregistered mark proprietor to construct a civil case. However, for such a civil case to succeed, the unregistered mark owner will have to establish either its reputation or some other property right that it claims has been harmed by the infringer's actions.

In certain instances, criminal redress may be available for an unregistered mark owner under the "offences relating to trade" set out by the Penal Code. These provisions provide a remedy akin to criminal passing off, and also enable proprietors of marks registered overseas (but not in Thailand) to take criminal enforcement measures.

The owner of a trademark cannot use the logo '®' on imported goods if the trademark is not registered in Thailand. Failure to comply with this provision could expose importers to both imprisonment and fines.

Well-known marks

A well-known trademark will receive special treatment in preventing others from using or obtaining registration in Thailand, even if it is not registered in Thailand. For instance, the registrar or any interested person may request

cancellation of a registered mark that is identical or similar to an unregistered well-known trademark. In order to assist with this procedure, the DIP issued a regulation concerning the recordation of well-known marks in July 2005. The system established by the regulation permits well-known mark owners to file an application and supporting documents to record their marks as well known in Thailand.

3. Registered marks

Ownership

The owner of a trademark may be a natural or juridical person, including a corporation or holding company, or its representative, with an office or place of business in Thailand. All persons applying for registration without an office or place of business in Thailand must appoint a local agent with an office or premises in Thailand at which the registrar will be able to contact them. The registrar may refuse to proceed with the application until a local service address is provided.

Scope of protection

Protected: In theory, photographs, drawings, invented pictures, brands, names, words, text, letters, numerals, signatures, groups of colours or three-dimensional objects, or any combinations of these items, may be registered, provided that the mark:

- is distinctive;
- is not forbidden under the Trademark Act; and
- is not identical or similar to trademarks that have already been registered by other persons.

A distinctive trademark is one that distinguishes the goods in relation to which it is used from other goods in the eyes of the general public or consumers. 'Distinctiveness', under the Trademark

Act, means that the mark possesses or consists of at least one of the following essential particulars:

- a person's name, such as a first name or surname, the full name of a legal person under related laws or a trade name represented in a special or particular manner and having no direct reference to the character or quality of the goods;
- a word or clause that has no direct reference to the character or quality of the goods and that is not a geographical name as recognized by the minister of commerce;
- a group of colours represented in a special or particular manner, or an invented letter, numeral or word;
- the signature of the applicant for registration or that of some predecessor in his business, or of another with his or her permission;
- the photograph of the applicant or that of another with his or her permission, or with the consent of his ascendants, descendants and spouse in the case of a deceased person; and
- an invented picture.

A trademark will be deemed distinctive where it consists of a name, word or phrase that is contrary to the first two terms above but is used on goods that are widely distributed or extensively advertised under the rules and regulations prescribed by the minister of commerce, and there is proof that the rules and regulations have been complied with.

Not protected: A trademark that possesses or consists of any of the following particulars shall not be registrable on absolute grounds:

- royal or official arms and crests, royal seals, official seals, the Royal Chakri seal, emblems and insignia of royal orders and decorations, position seals, or emblems of ministries, bureaux, departments or provinces;
- flags of Thailand, royal standards or official flags;

- royal names, royal signatures, royal monograms or royal dynasties;
- photographs or portraits of the king, queen or heirs;
- names, words, text or emblems that represent the king, queen, royal descendants or heirs;
- national flags or national emblems of foreign countries, flags and emblems of international organizations, seals of heads of foreign countries, official emblems and marks of quality assurance on goods of foreign countries or international organizations, or names and initials or acronyms of foreign countries or international organizations, unless authorized by the persons in charge of foreign affairs of such foreign countries or international organizations;
- official emblems, emblems of the Red Cross or the appellation 'red cross' or 'Geneva cross';
- a trademark that is similar to any of the seven categories listed above;
- a mark identical or similar to the representation of a medal, diploma or certificate, or any other mark awarded at an exhibition or competition held by the Thai government, a Thai government agency or a Thai state enterprise, a foreign government or an international organization, unless such medal, diploma, certificate or mark has actually been awarded to the applicant for goods bearing its representation and is used as a part of his or her trademark, and provided that the calendar year of the award is indicated;
- a mark that is contrary to public order, morality or public policy;
- a mark that, according to the criteria prescribed by the minister of commerce, is identical or so similar to a well-known trademark that it confuses or deceives the public as to the origin of the goods bearing the mark, regardless of whether the mark has been registered;
- a geographical indication that is protected under related laws; and
- other trademarks prescribed by the minister of commerce.

4. Procedures

Filing requirements

To register a trademark in Thailand, an applicant must lodge a written application with the DIP. The Register of Marks is open to public inspection. The application must be completed on an official form in the Thai language, with specimens of the mark attached. All documents and marks that are not in Thai must be translated.

While Thailand is not a party to the Nice Agreement, the DIP does follow the classification system established by that treaty. Hence, the registrar will investigate whether the specifications of goods or services have been correctly designated by the applicant. Under present Thai practice, only one class of goods or services may be designated per application, which means that mark owners seeking registration for diverse goods or services may need to file multiple applications.

The kinds of sign that can be protected are trademarks, service marks, certification marks and collective marks. In theory, groups of colours and three-dimensional marks can also be registered; however, this can prove difficult in practice due to rigorous examination before the DIP.

Examination

The registrar reviews the application for compliance with the laws and rules, and searches the Register of Marks and pending applications for identical and similar trademarks related to the same goods. It is generally advisable for applicants to conduct a search of the trademark register in advance of any applications. Searches are conducted by trademark agents who attend the DIP. There is no specific DIP-approved search and hence it is up to the applicant to determine whether there exist any prior marks that could become obstacles to the new mark's registration.

When considering an application the registrar may request the applicant to give verbal statements, or to invite any person to give facts, explanations, advice or opinions or to send any documentary evidence connected with the application. If the applicant fails to comply with such an order without an appropriate reason, the application will be deemed abandoned.

The registrar may accept the application, with or without conditions, or object to it. If, on examination, the registrar refuses to accept an application, he must submit his reason in writing. The applicant can file an appeal to the Board of Trademarks within 90 days of receipt of the registrar's notice of refusal; the appeal application must state that the decision was "unlawful".

Opposition

Pre-grant opposition is possible in Thailand. Any person may file notice of an opposition on any number of grounds within 90 days of the date of the advertisement. These include claims that the opposing party has a better right than the applicant or that the mark is deceptively or confusingly similar to the claimant's registered right, or is contrary to law or morality.

In cases where either the applicant or the opposing party is dissatisfied with the registrar's decision, either party can file an appeal with the Board of Trademarks within 90 days of notification of the registrar's decision. Furthermore, if the parties are not satisfied with the board's decision, they can bring a lawsuit to the court within 90 days of being notified of the board's decision.

Registration

Exclusive use rights: Registration gives the owner exclusive rights to use the mark, subject to exceptions for another person's prior-vested rights or good-faith joint or concurrent use of a name, address or description of goods.

Honest concurrent user: The registrar may permit the registration of the same or nearly identical marks by different owners for the same or similar goods subject to such conditions and limitations as the registrar may deem proper to impose.

Priority registrant: Thailand recognizes priority for applicants who have filed to protect a mark in a WTO member country, provided that the Thai application is made within six months of the date that the first application was filed in the WTO country where protection is sought. Thailand also affords priority registration rights to applicants that have filed an application in their home country if that country offers Thai nationals a reciprocal arrangement.

Advertisement: When the registrar is of the opinion that a trademark deserves to be accepted for registration, he will order the advertisement of the application in the *Trademark Journal*. There is no fee for this service.

Duration of protection: The initial registration is effective for 10 years from the filing date of the application for registration. Each renewal is effective for 10 years from the expiration of the last registration. Application for renewal can be made in the 90 days before the registration expires.

Removal from register

A registered trademark may be cancelled on application to the Board of Trademarks on the grounds that the mark:

- is non-distinctive;
- is forbidden for registration;
- when filed, was identical or confusingly similar to a registered trademark belonging to another person in respect of goods under the same or different classes, but having the same character;
- is contrary to public order, morality or public policy;
- was registered without good-faith intention to use the mark for goods; or

- had not been submitted to good-faith use for a period of three consecutive years before the petition to cancel the registration of the mark was filed.

If either party is dissatisfied with the Board of Trademarks' decision, it may appeal to the Intellectual Property and International Trade Court (IP&IT Court) within 60 days of notification of the decision.

A registered trademark may be cancelled on application to the IP&IT Court by any interested party that can prove a better title to the mark, or if the applicant can demonstrate that the mark has become common (generic). The prescription period for filing the complaint with the IP&IT Court for cancellation of the trademark registration is five years from the date of the registrar's order for registration of the trademark.

5. Enforcement

Complexity

Infringement and counterfeiting are the biggest issues facing trademark owners in Thailand. While Thailand's legal structure for the protection of IP rights is reaching world-class standards, enforcement continues to be a problem.

One of the most prevalent issues faced by individuals and companies is the acute lack of awareness and knowledge of IP laws, their purpose, benefits, limits and function. The Thai government has embarked on educational and promotional campaigns. In an effort to aid enforcement of its new laws, the Thai government established the IP&IT Court in 1997. The IP&IT Court has exclusive jurisdiction over IP disputes.

Civil and criminal actions

IP owners that are victims of counterfeiting activities can pursue two courses of action with a

view to seeking court redress: a criminal action and/or a civil action. Warning letters and cease and desist demands are frequently dispatched and often lead to the settlement of disputes. All of Thailand's IP statutes contain criminal remedies for infringement, with civil redress available as a separate action based on the tort provisions of the Civil and Commercial Code.

Civil actions in respect of trademark infringement may be instigated under the general tort provision contained in Section 420 of the Civil and Commercial Code, which provides that "a person who, wilfully or negligently, unlawfully injures the life, body, health, property or any right of another person, is said to commit a wrongful act and is bound to make compensation thereof". The civil remedies available to an IP owner thus include a permanent injunction against the offender and/or the recovery of proven damages

In practice, most IP owners prefer to proceed under criminal law due to the uncertainty of outcome, costs, delays and difficulty in collection of judgment assets associated with civil litigation against infringers in Thailand. It can take up to one year for the trial of a civil action to get underway, and even then it can take a further year for judgment to issue. On the other hand, criminal enforcement can be conducted relatively quickly. Police enforcement officers are willing to assist in criminal actions and measures can be obtained quickly.

A prosecution may follow a raid action; however, if the infringer pleads not guilty, the matter will be investigated by enforcement officials and the public prosecutor before a criminal trial is mounted. In such cases it can take up to eight months for the trial to start. Nevertheless, the clear advantage of criminal action based on a raid is the immediate confiscation or removal of infringing goods from the market.

The basic principle, as stated in Section 44 of the Trademark Act, is that the person registered as the proprietor of a trademark shall have the exclusive right to its use for the goods in respect of which registration has been granted. Chapter 6 of that legislation then criminalizes various acts of forgery and imitation of registered trademarks within Thailand. Additionally, various acts of commercial dealing in forged or imitated marks (eg, selling, offering or possessing for sale, and importation) are criminalized by this act.

The criminal penalties for forgery of a registered trademark can include fines of up to Bt400,000 (approximately \$11,250) and prison sentences of up to four years (usually reduced or suspended for first-time offenders).

A trademark owner may bring criminal charges against an alleged infringer either by submitting a complaint directly to the relevant court or, more commonly, by lodging a complaint with the police authorities. Specifically, Section 116 of the Trademark Act entitles a trademark proprietor to petition the court for an order instructing an infringer to cease the infringing activities if there is “express evidence”.

Penalties for imitation of a mark measured in Thailand are similar to but less severe than those for forgery. Imprisonment will not exceed two years and a fine will not exceed Bt200,000.

Importantly, if an alleged infringer commits the same or similar offence under the Trademark Act within five years of completion of the previous punishment, then the penalties as set out above may be doubled for the repeat offence.

Foreign trademarks that are not registered in Thailand but are already registered outside of Thailand are protected under Sections 273 to 275 of the Penal Code. Currently the maximum penalties imposed are a fine of Bt6,000 or imprisonment of three years, or both, for forging

a trademark, or a fine of Bt2,000 or imprisonment of one year, or both, for imitating a trademark.

In addition, the owner of an unregistered foreign trademark may bring a passing off action under the Civil and Commercial Code for an act of unfair competition under the “offences relating to trade” set out by the Penal Code.

Border measures

In accordance with Thailand’s obligations under Article 51 of the TRIPs Agreement, legislation exists that confers various powers on Thai customs officials to stop importing and exporting activities. IP owners may thus petition Customs to seize suspect shipments of potential counterfeit products at Thailand’s borders.

Generally, customs officers have the power to search without warrant within the customs control zone (ie, the geographical area within which the Royal Thai Customs can exert control, namely the territory of the kingdom of Thailand). In such cases there must be reasonable cause for Customs to act, at which point the search powers extend not only to property and goods, but also to persons. Customs officials also have the power to open and inspect packages passing through Customs and officials may also board and search vessels within the boundaries of the kingdom of Thailand. Generally, customs officials have the authority to arrest persons on reasonable suspicion of an offence by that person against the customs laws.

Historically, customs officials did not initiate inspection unless requested to do so by an IP owner. As a result, the primary onus for instigating a border inspection of imports and exports lay with the IP owner. Nevertheless, in 2003 the Royal Thai Customs did begin to take *ex officio* actions to intercept in-bound and out-bound shipments of counterfeit products – in particular counterfeit automobile parts, apparel and luxury goods. This proactive approach was

in part due to the conclusion of a memorandum of understanding that was signed by government bodies and IP owner representatives.

In 2006 the Royal Thai Customs continued its increased border control activities, which proved to be an extremely powerful and effective weapon in the arsenal of brand owners seeking to curb cross-border flows of counterfeit articles.

6. Ownership changes – legalization requirements

Assignment

Rights to trademark applications or registered trademarks are transferable and inheritable. Trademark owners have a right to assign a registered trademark with respect to all of the goods and services specified in the registration. The assignment of unregistered trademarks is also legally recognized. Assignments may take place in connection with the transfer of a business or otherwise. Assignment of the rights to a registered trademark must be registered with the registrar. A notarized power of attorney from the assignee and a certified deed of assignment are required.

Licence

The owner of a registered trademark may grant a licence to third parties to use it for any or all goods to which the registration pertains. A trademark licence agreement must be in writing and registered with the Trademark Office. Failure to register a licence will render the agreement void.

7. Areas of overlap with related rights

There is a certain amount of overlap between trademark rights and copyright. Apart from the rights accorded under the Trademark Act and

protection against passing off under the Civil and Commercial Code and Penal Code, some trademarks (particularly device marks) may be protected under the Copyright Act if they are classified as artistic works pursuant to the Copyright Act BE 2537 (AD 1994).

8. Online issues

Domain names

The Thailand Network Information Centre (THNIC) has authority over the registration of '.th' domain names. Currently six categories of '.th' domain names are available: '.co.th', '.ac.th', '.net.th', '.or.th', '.mi.th' and '.in.th'.

THNIC requires overseas companies wishing to register a domain name in Thailand to have a local representative or a trademark registration in Thailand. The local representative must be a registered entity (a company, a current representative office or a branch office) that has the same name as the company seeking to register the domain name.

The local representative must provide the THNIC with a written authorization to act on the overseas company's behalf, as well as provide specific details and information regarding its background and business. In addition, the chosen name must be the same as, or closely similar to, the company name. The local representative must also provide the THNIC with three contacts in order to register a domain name, namely:

- an administrative contact who must be an employee of the organization requesting to register a domain name;
- a billing contact for service rendered; and
- a technical contact.

The rules applying to the registration of '.co.th' domain names were relaxed as of November 1

2000. The new rules specify that in addition to being able to register '.co.th' domain names that are identical to their company name, applicants may also apply for '.co.th' domain names that contain or are identical to their trademark registration(s).

Online trademark infringement

There exists no specific legislation on online trademark infringement. In practice, the infringer will be sued before the court on the grounds of the criminal provisions of the Trademark Act. For instance, it could be charged with selling and possession for sale of counterfeit goods bearing another's registered trademarks (see section 5 above).

