

#### **IP enforcement in Myanmar**

28 February 2014

By Fabrice Mattei Partner

Rouse Myanmar <u>fmattei@rouse.com</u>

www.iprights.com

Offices: Australia (liaison), China, Hong Kong, India (associated office), Indonesia, Philippines, Saudi Arabia (associated office), Thailand, UAE, United Kingdom, USA (liaison), Vietnam





# **Opportunities**

#### 2<sup>nd</sup> largest country in South East Asia

- Population of approx. 60 million.
- English is well spoken.
- 85 % of the population is Buddhist.

#### Opening up to foreign investment

- New Foreign Investment Law.
- New Anti Corruption Law.
- New Telecommunication Law.

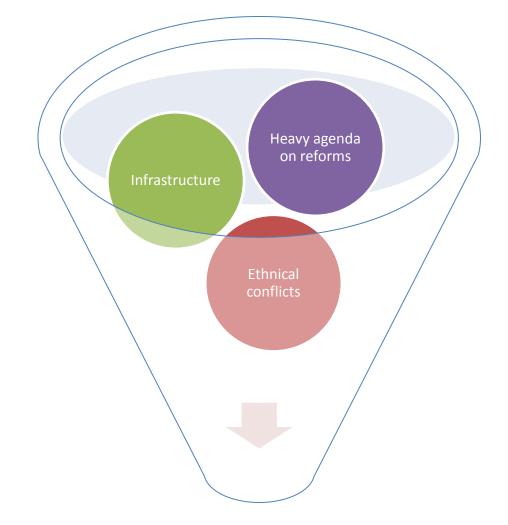
#### Political stability

- ASEAN leaderships in 2014.
- General election in 201.5
- USA, EU & Japan have relaxed their restrictions against Myanmar to help the country to transit to a modern and open economy.

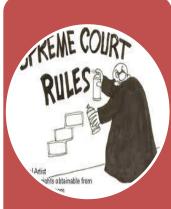
#### Economy

- GDP for 2013 : 6.8 %
- Inflation : 5.7 %
- Floated exchange rate between USD and Kyat
- Major investors : China, Japan, Thailand & Singapore
- Imports: fabrics, crude oil, plastics, fertilizer, machinery, transport equipment, cement.
- Exports: gas, wood products, fish, rice, clothing, jade & gems.

# Challenges



# **Topics**



Overview of legal & judicial system

- Court system
- Arbitration system



Intellectual Property related agencies: who to work with?

#### WORLD INTELLECTUAL PIRACY ORGANIZATION Enough! No more! No patents on the knowledge of Indigenous Peoples!

Strategies to protect intellectual property rights

- Applicable laws
- Relevant cases law



Enforcement options

Recommendations

# 1. Legal & Judicial system

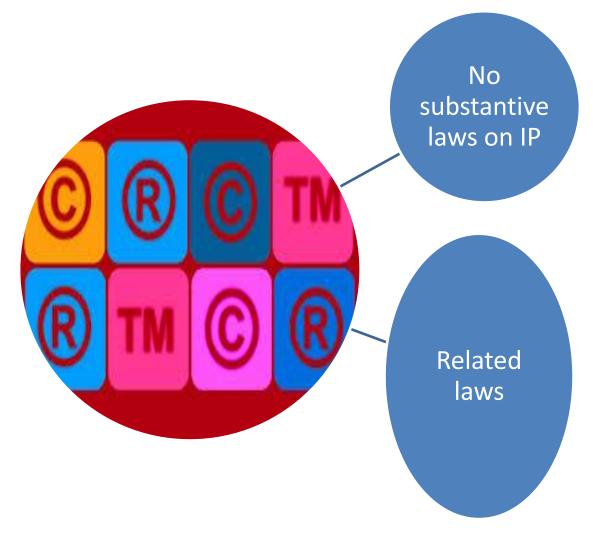
Combination of common law and civil law systems: principles of common law implanted into codified laws, statute laws, promulgated by legislature.

Sources of law include Myanmar customary law, statutes, directives of Ministries and Departmental notifications.

Doctrine of precedents applies.

Myanmar acceded the New York Convention on the recognition of enforcement of foreign arbitral awards on July 15, 2013.

### **Overview of local IP framework**



- Registration Act (1908)
- Penal Code (1860)
- Merchandise Marks Act (1889)
- Sea Customs Act (1878)
- Specific Relief Act (1877)
- Patents and Design (Emergency Provisions) Act (1946)
- Science and Technology Development Law (1994)
- Electronic Transactions Law (2004)

### **Overview of IP related treaties' membership**

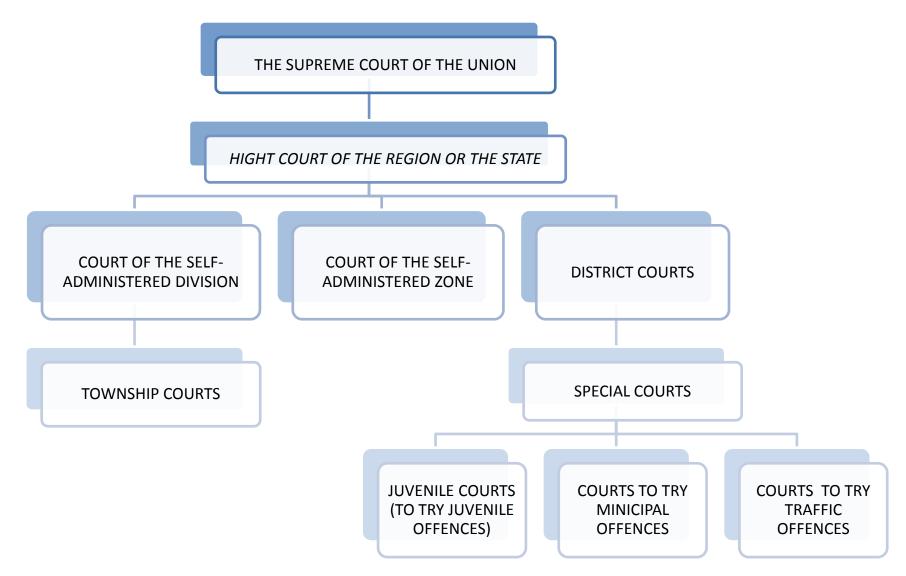
- <u>Convention concerning the Protection of the World Cultural and Natural Heritage</u> (July 29, 1994)
- <u>Cartagena Protocol on Bio-safety to the Convention on Biological Diversity</u> (May 13, 2008)
- International Plant Protection Convention (May 26, 2006)
- <u>International Treaty on Plant Genetic Resources for Food and Agriculture</u> (June 29, 2004)
- United Nations Convention on the Law of the Sea (June 20, 1996)
- <u>Convention on Biological Diversity</u> (February 23, 1995)
- <u>Convention Establishing the World Intellectual Property Organization</u> (May 15, 2001)
- <u>Agreement establishing the World Trade Organization (WTO)- Agreement on Trade-</u> <u>Related Aspects of Intellectual Property Rights (TRIPS Agreement) (1994)</u> (January 1, 1995)
- ASEAN Framework Agreement on Intellectual Property Cooperation
- Global System of Trade Preferences among Developing Countries
- ASEAN Trade in Goods Agreement (May 17, 2010)
- <u>Agreement on the Common Effective Preferential Tariff Scheme for the ASEAN Free</u> <u>Trade Area</u> (January 28, 1992)

# **Status of draft IP laws**

WTO extended the deadline to enact IP laws from July, 1<sup>st</sup> 2013 to July, 1<sup>st</sup> 2021 for all Least Developed Countries incl. Myanmar .

Committee responsible for drafting IP laws : TM, GI, Design, Patent, Copyright.

#### **Court system under the Judiciary Law of 2000**



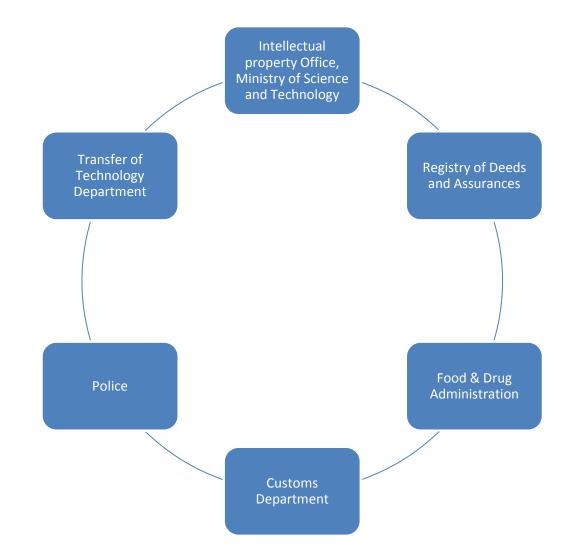
# Possible changes under the draft trade mark law

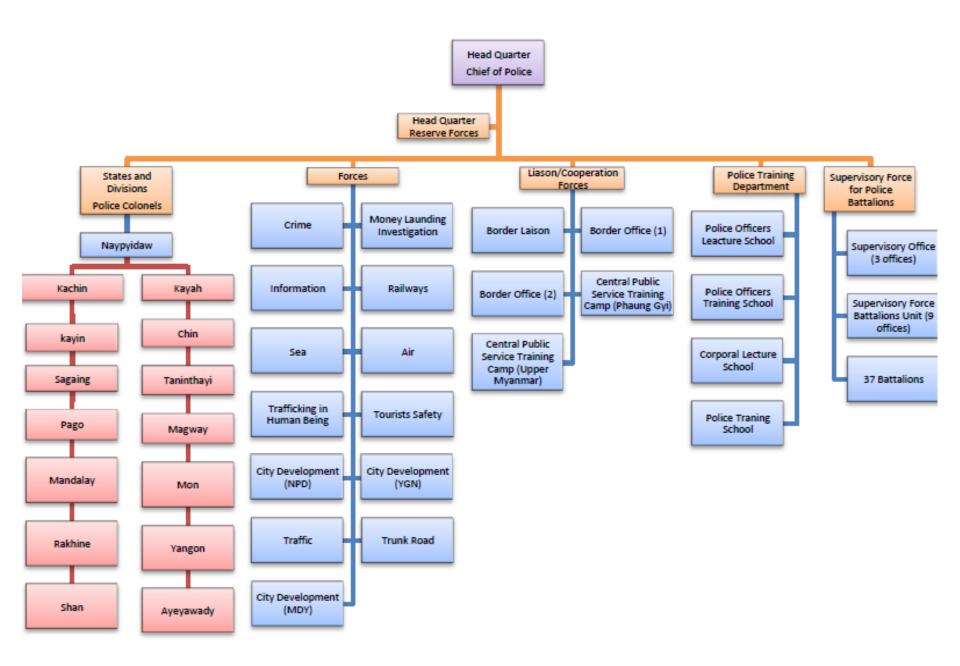
**Specialized Intellectual Property Court**: exclusive jurisdiction on disputes relating to intellectual and industrial property matters .

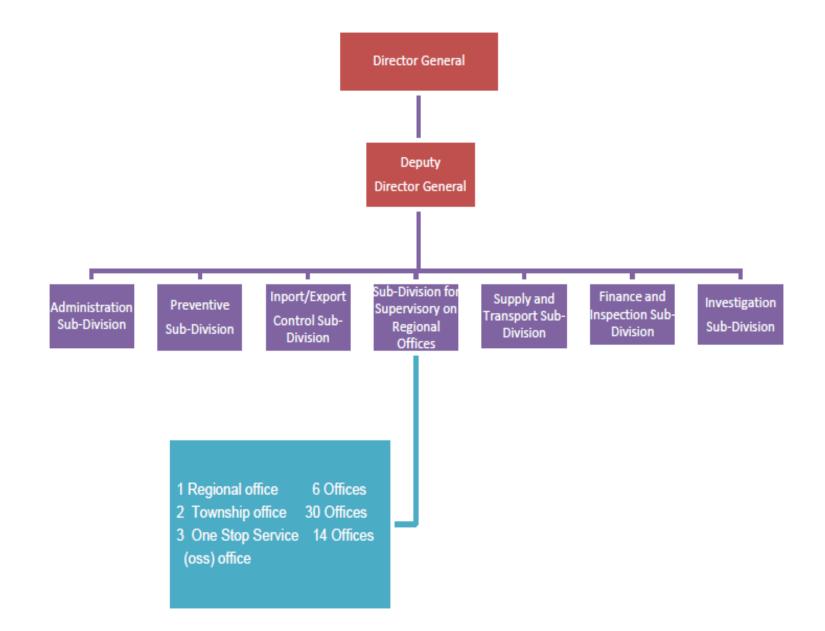
South-East Asia trends in establishing specialized intellectual property courts:

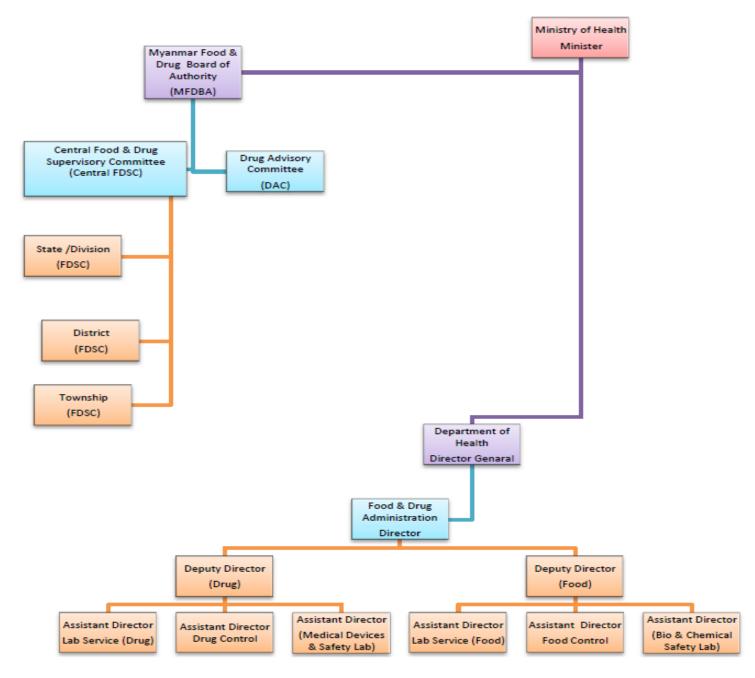
**Thailand** : Central & Intellectual Property and International Trade Court **Malaysia** : Intellectual Property Court **Indonesia** : Commercial Court **Vietnam** : People Court

# **2. Intellectual Property related agencies**









# Possible changes under the draft trade mark law

**Ambitious IP institutionalisation process:** 

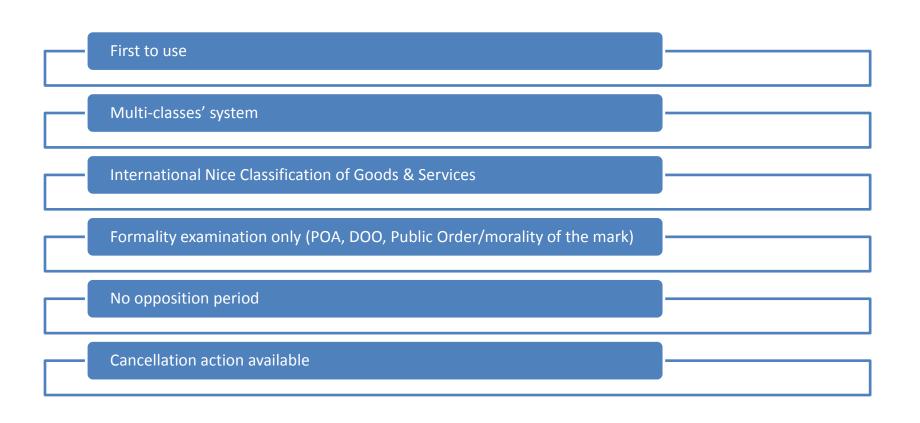
• The Draft TM Law contains an **ambitious institutionalisation process** of TM registration and enforcement through the establishment of the Myanmar Industrial Property Office ('MIPO'), Trade Mark Registry, and the Intellectual property Court.

•IP specialization and modernization of administrative and judicial bodies is positive. However, actual implementation is likely to constitute a **real challenge** to the Government especially in terms of manpower and procedure. Several organizations such as Japanese Patent Office and WIPO have engaged in technical cooperation and trainings with MOST especially.

# **3. Current mechanisms and conditions to protect IPRs**



# **Current trade mark protection**



### **Current trade mark protection**

There is no Trademark Act however, an established practice has well developed for the evidentiary assertion of the rights of trademark ownership. Trademark may be **recorded** under Section 18 (f) of the Registration Act as per the Direction 13 of the said Act.

A trademark may be recorded with the Registry of Deeds and Assurances ('RDA') by means of a **Declaration Of Ownerships** ("DOO") that is a solemn statement of facts made by the trademark owner. Despite the fact that registration is not a conclusive proof of the ownership, it becomes a prima facie evidence of ownership and may be of certain help in the criminal and civil proceedings.

The most effective way to establish the ownership of a trademark in Myanmar is by (i) recording a mark with the RDA (ii) placing goods bearing the mark on the market, (iii) advertising a mark as Cautionary Notice in newspapers (iv) renewing /re-publishing a mark every three years.

#### Trade mark recordation Average time to complete

the recordation process is **4 weeks,** documents required Declaration of Ownerships and Power Of Attorney to be submitted at the filing time.

Recordation of the ownership in a mark with the Registry Office of Deeds and Assurances

Renewal of Registration and/or re-publication of the recorded mark every three years Voluntary publication of Cautionary Notice in a local newspaper/magazine to inform public on the ownerships of a mark and warn counterfeiters

# **Examples of cautionary**

### notices

#### TRADE MARK CAUTION

NOTICE is hereby given that **Thai Union Frozen Products Public Company Limited.** a company organized under the laws of Thailand and having its principal office at 979/12 M. Floor, S.M. Tower, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400, Thailand is the owner and sole proprietor of following trademarks:-



(Reg: No. IV/3370/2012)



#### (Reg: No: IV/3371/2012)

The above two trademarks are in respect of:-"Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products, edible oil and fats; all goods in this class, especially packaged tuna, packaged sardines, packaged mackerel, packaged squids, packaged shrimps, packaged clams, packaged crab meats, packaged frozen sea foods, packaged sea foods, fish snack, canned meatball" – Class: 29

Any fraudulent imitation or unauthorized use of the said trademarks or other infringements whatsoever will be dealt with according to law.

U Kyi Win Associates

for Thai Union Frozen Products Public

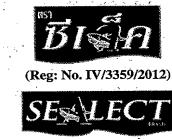
Company Limited.

P.O. Box No. 26, Yangon.

Phone: 372416 Dated: 23<sup>rd</sup> July, 2012

#### TRADE MARK CAUTION

NOTICE is hereby given that **Thai Union** Manufacturing Company Limited. a company organized under the laws of Thailand and having its principal office at 979/13-16 M. Floor, S.M. Tower, Phaholyothin Road, Samsennai, Phayathai, Bangkok 10400, Thailand is the owner and sole proprietor of following trademarks:-



#### (Reg: No. IV/3360/2012)

The above two trademarks are in respect of:-"Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products, edible oil and fats; all goods in this class, especially packaged tuna, packaged sardines, packaged mackerel, packaged squids, packaged shrimps, packaged clams, packaged crab meats, packaged frozen sea foods, packaged sea foods, fish snack, canned meatball" – Class: 29

Any fraudulent imitation or unauthorized use of the said trademarks or other infringements whatsoever will be dealt with according to law.

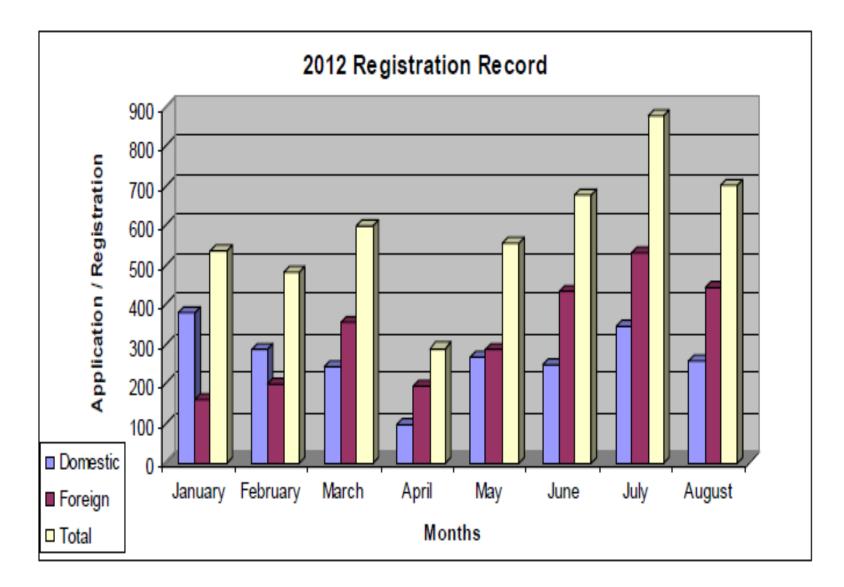
U Kyi Win Associates

for Thai Union Manufacturing Company Limited. P.O. Box No. 26, Yangon. Phone: 372416 Dated: 23<sup>rd</sup> July, 2012

#### 2005 to 2011 Registration Record

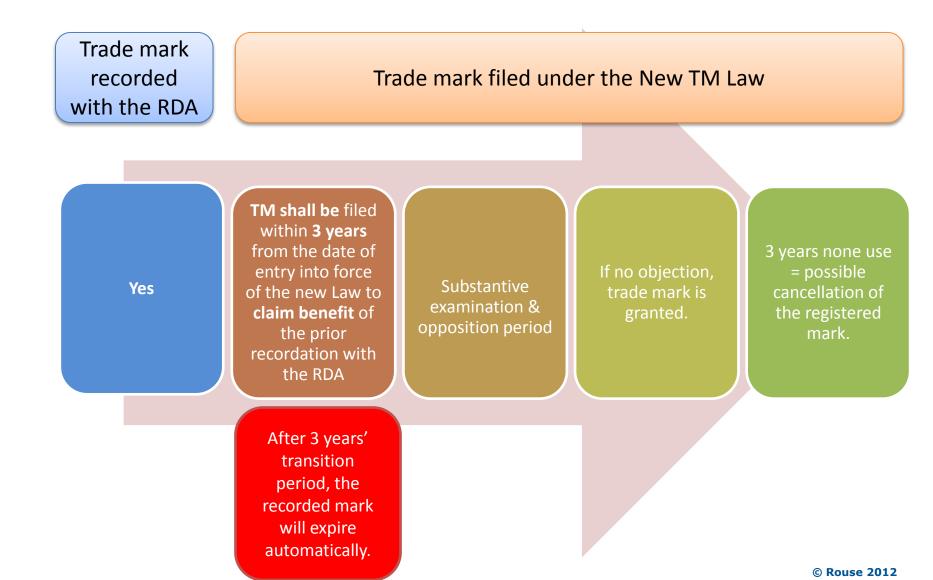
Years	Application			Granted			
	Domestic	Foreign	Total	Domestic	Foreign	Total	
2005	2,446	1,330	3,776	2,446	1,330	3,776	
2006	2,637	1,518	4,155	2,637	1,518	4,155	
2007	1,747	906	2,653	1,747	906	2,653	
2008	2,857	1,796	4,653	2,857	1,796	4,653	
2009	3,961	1,931	5,892	3,961	1,931	5,892	
2010	3,821	2,149	5,970	3,821	2,149	5,970	
2011	3,048	2,378	5,426	3,048	2,378	5,426	
Total	20,517	12,008	32,525	20,517	12,008	32,525	

**Source**: Comparative Assessment Study of Patent and Trademark Offices in Southeast Asia (www.kiasia.org)

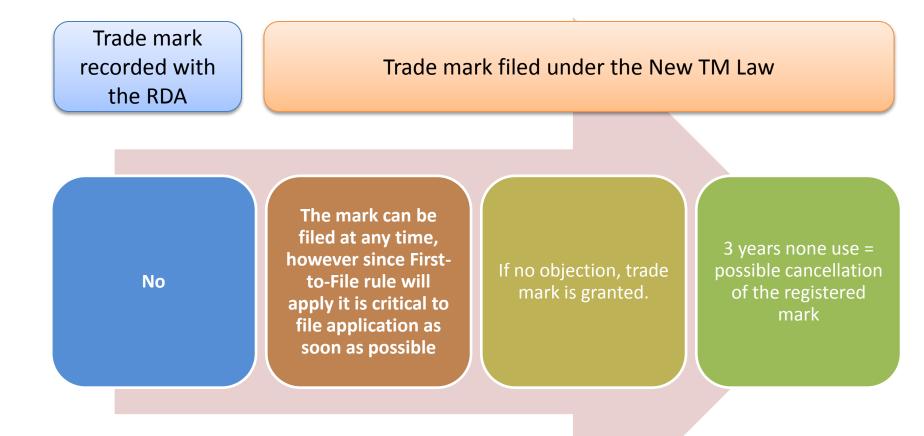


**Source**: Comparative Assessment Study of Patent and Trademark Offices in Southeast Asia (www.kiasia.org)

# **Draft Trade mark Law**



# **Draft Trade mark Law**



#### **Draft Trade mark Law**

**Uncertainty persists**: although the Draft Law constitutes a very significant improvement from the current legislation and practice, we are of the view that uncertainty in the ownerships of trade mark rights persists (i.e. 3 years transition period, conflict resolution between *prior use* and *first to file*, rights granted to "**temporary registered marks**", absence of provisions dealing with conflict resolution between trade marks and geographical indications etc.).

### Patent and designs protection

*No law in operation.* Burma Patents and Designs Act and Emergency Provisions *Act No. 5 of 1945 and No. 1 of 1946.* 

*Pharmaceutical products : Drug Law of October 1992 and notifications of 1993 pertaining to drug manufacturing, importing, selling and distributing, labeling and advertisements.* 

Legislative framework for science and technological development and technology transfer.

During the lack of a specific Statute, patents and designs may be registered under the existing Registration Act.

Drafting new legislation for patents and designs to comply with TRIPS has been carried out by the Attorney General Office with the Ministry of Science and Technology.

### **Copyright protection**

Myanmar is not a member to the Berne Convention. It protects original literary, artistic, musical and dramatic works by the 1914 Copyright Act.

In this Act, protected works, authorship and ownership of copyright, duration (term) of copyright, limitations, infringements of copyright, applications of copyright, civil and criminal remedies, definitions and penalties are included.

Myanmar being a member of WTO has an obligation to implement the provisions of the TRIPs Agreement. The drafting process of a new Copyright Law started on September 2004 headed by the Minister for the Prime Minister Office, with the cooperation of Office of the Attorney General and Ministry of Science and Technology. The draft new law is based upon the WIPO model law and in line with the TRIPs Agreement and Conventions and Treaties administered by WIPO and now it reached to the eight draft.

### **4. Enforcement of IPRs**





# **Civil and criminal actions**

### How to enforce trade marks under the current regime

Recordation of a mark is not a conclusive proof of ownership of that mark. It might be possible for a third party to establish its rights by circumstantial proof i.e. by the principles of Common Law, (use of the mark) rather than by trade mark recordation.

### • Cases study 1 & 2

An owner of a mark has no right to prohibit other persons from the use of such mark for unrelated goods

#### Case study 3

Two marks at issue need not be identical, similarity though slightly different between them is sufficient to claim infringement

### • Cases study 4, 5 & 6

# Case study 1 – Scholl shoes







### **Facts**

Myanmar is an important market for **footwear**. The brand "Scholl" is a footwear brand belonging to LRC Products Limited ('Plaintiff') which is part of Reckitt Benckiser.

"Scholl" was first recorded in the name of LRC Products Ltd in Myanmar on 8/10/2008 under the registration number 6899/08 and was published as a cautionary notice in the Myanmar Times on 19/01/2009. A Myanmar national ('Defendant') recorded the same mark for footwear on 6/03/2009 under the registration number 1827/09. The Defendant's mark was never published as a cautionary notice, however he has been extensively using that mark. Following a successful raid action in Mandalay against the Defendant's customers premises, the Plaintiff filed a civil action for cancellation of the Defendant's mark before Yanking Township Civil Court.

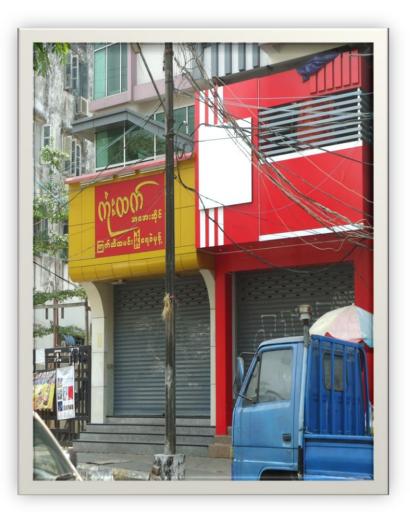
# Ruling

In its decision no. 16/2013 dated 25<sup>th</sup> of October 2013, the Court cancelled the Defendant's mark and ruled as follows:

- "The registration of "Scholl" trade mark made at the Registry of Deeds and Assurance by the Defendant is against the rights granted to LRC Products Ltd".
- "According to evidence and witnesses of the Plaintiff, it is clear that the Defendant is not the lawful owner of "Scholl" trade mark"
- "This decision is given in accordance with the principles of law and lawsuit filed by the Plaintiff and request the cancellation of the mark "Scholl" unlawfully recorded by the Defendant with the Registry of Deeds and Assurance".

# **Case study – KFC**





Case study 3 – Jon Walkers' case – 1968 Honourable Mr. justice U Thet Pe

"an owner of a trademark in respect of a particular commodity has no right to prohibit or prevent other person from the use of such mark in connection with goods of totally different character."

# Case study 4 – Gaw Shan Soot case – 1952

"It is not necessary in order to constitute a colorable imitation that two marks should be similar in every particular, but it will be sufficient in law to constitute a <u>colorable imitation</u> if there exists such similarity between the two marks which could lead to consumers' deception." Case study 5 -In U Tin Lett (a) U Sai Lett and one Vs. U Kyaw Nyein, Year 2000, Special Civil Appeal Case No. 23 (Special Bench), Yangon, 2001-MaTaSa-128

Taung Gyi Mauk Mai is a trademark
that includes a device for natural
cosmetics. A different mark Shan
Maunk Mai using similar get-up, size of
plastic container and instruction was
launched on the market.

#### Case study 6 - Nanyang Industry Ltd Vs Gold Asia Rubber Manufacturing, Special Civil Appeal Case No. 48, (Special Bench – Three Judges), Yangon, 2005

Nanyang Industry Ltd Vs Gold Asia Rubber Manufacturing, Special Civil Appeal Case No. 48, (Special Bench –Three Judges), Yangon, 2005. The Nanyang Industry Ltd is situated in Bangkok, Thailand and is in the business of manufacturing and distributing slippers, "converse" shoes, tires and tubes throughout of Myanmar under the name of "Nanyang Sin Kyal" ( $\frac{\delta \omega \delta}{\omega \delta} \frac{\omega \delta}{\omega$ 

distribute footwear, bicycle tires, motorcycle tires and tubes, vehicle tires and tubes throughout of Myanmar. The Special Appellate Civil Court held as follows:

- If there is no sufficient evidence for the losses suffered by the Plaintiff, compensation shall not be granted for the Plaintiff;
- It is clear that the Plaintiff has suffered damages if there have been manufacturing and distributing the goods by using a similar or identical mark(s) of the Plaintiff.

The Special Appellate Court dismissed the decision of the Supreme Court and granted a perpetual injunction against the Defendant. In this case, it is clear that the court recognized translation of the meaning of trademark as a similar or identical of the trademark in Myanmar language.



# Administrative action

### **Customs action under current law**

The Sea Customs Act prohibits export or import by land or sea of goods bearing a counterfeit mark. The remedies are confiscation of the goods and a fine. Custom officers are authorized to stop and search any person, vessel or vehicle on the grounds of reasonable suspicion.

### Possible changes under Trade Mark Draft Law

Mixed enforcement signals: although civil and customs enforcement mechanisms supported by the establishment of an IP Court are encouraging, provisions pertaining to criminal enforcement of trade marks seem incomplete and weak (amount of fines are missing, no specific provision to deter repeating offenders etc).

# 4. Recommendations

RECORD your KEY marks NOW & LOCALIZE them in Myanmar languages

PUBLISH your mark in a local newspaper/Magazine as a Cautionary notice only if you don't use it in Myanmar

CONSIDER appointing a local distributor, it does not need to be sole distributor

RE-APPLY for your mark within 3 years from the entry into force of new Trade Mark Law.

# 4. Recommendations

Newspaper	Publication Frequency	Shelf life	Language(s)	Estimated Readership	Estimated Fee	Estimated time to get publication	Document(s) required
The Myanmar Times	Weekly	7 days	1. English; and/or 2. Myanmar	65,000 (for English version) 75,000 (for Myanmar version)	USD 50 per column inch	1-2 weeks	1. Draft of Cautionary Notice
The New Light of Myanmar	Daily	1 day	English	16,000	USD 110 per column inch	2-3 working days	1. Draft of Cautionary Notice 2. Copy of Declaration of Ownership

# Thank you for your attention

Contact details: <u>fmattei@rouse.com</u> <u>moemynnthu@couse.com</u>

#### www.rouse.com

Rouse Myanmar La Pyayt Wun Plaza, Room No. 206 (A), No. 37 Alanpya Pagoda Street Dagon Township, Yangon, Republic of the Union of Myanmar. Tel: +951 1222 352 Fax: +951 377 382