

# COST-EFFECTIVE REMEDIES FOR IP INFRINGEMENT

In this era of knowledge-based economies and accelerating technological developments, intellectual property (IP) is often the most valuable asset of a corporation. Companies pay significant attention to IP to make sure their rights are properly protected under local law, which currently affords protection for all key types of IP, including patents, copyrights, trademarks and trade secrets.

Despite the availability of such IP protection and the Thai government's continuous efforts to deter and suppress blatant IP infringement in Thailand, many companies still find their IP being copied or used without permission or legal authority.

First, in combating perceived IP infringement, it is important to verify you have legal rights to the IP or proprietary works that are potentially being infringed. For example, this could involve checking that you have a registered trademark or patent or ensuring you can prove ownership of a copyright or a trade secret. Enforcement of these rights can include a wide range of countermeasures against infringers.

Several options are available to put a stop to IP infringement, ranging from informal enforcement measures to formal legal proceedings in court. Both criminal and civil infringement actions through the courts are possible.

Assuming the infringer can be identified — a seller, wholesaler, manufacturer or importer — the first step is usually to send a warning letter notifying the violator of your IP rights or a more strongly worded cease-and-desist message.

However, if the element of surprise is necessary, it may be better to initiate a raid with the relevant police authorities, so that evidence of the infringement can be seized. Sending letters is a less costly and less time-consuming avenue available to IP owners compared with launching a complaint with the court or police authorities right away and often the best way to stop further infringing activities in the case of small corporate-

type infringers, or "innocent infringers". Normally, these types of preliminary letters are sent by a lawyer representing the IP owner or by the owner himself. Either way, it is important to ensure they contain no false, misleading or defamatory statements.

If the infringer does not reply to the letter or otherwise fails to discontinue the infringing activity, more formal enforcement means can be employed. This could include a police raid and seizure, a court order to seize evidence of infringement, a preliminary injunction and ultimately a complaint to the court. To initiate a raid against the infringer, the IP owner or his representative may file criminal charges against the infringer by lodging a complaint with the appropriate police authorities. If the



police agree there is a case of infringement, they will request the court issue a search warrant to raid the infringer's premises, seize all counterfeit goods and arrest the responsible person if present at the time of the raid. Once the action has taken place, the police will collect further evidence and prepare the case for submission to the public prosecutor.

Alternatively, an IP owner may seek a preliminary injunction directly from the court to halt sales or shipments of infringing products and/or apply for a court order for the search and seizure of evidence of infringement — known as an "Anton Piller order" in many jurisdictions. A preliminary injunction for IP infringement can be requested even before an IP owner actually files a lawsuit against an infringer. However, the owner must be able provide the court with proof of ownership, evidence

of infringement and sufficient reasons or justifications for the preliminary injunction requested such as irreparable harm that cannot be addressed by monetary compensation or any other form of indemnity.

The court's decision on whether to issue a preliminary injunction will also take into account the nature and extent of damages both parties may incur if the injunction is granted — and vice versa — and the difficulty of enforcing the judgement against the alleged infringer.

It may be possible to seek an order to search and seize evidence of infringement provided that an emergency situation exists in which if the other party or the third party involved is notified beforehand, the evidence of infringement will be damaged, lost, destroyed or otherwise become difficult to obtain at a later date. This particular court order helps to preserve evidence of infringement for when a lawsuit is launched by the IP owner.

In terms of cost savings, clients may wish to consider identifying a group of infringers at a particular location and tackling this group as a whole, with brand owners teaming up to tackle a specific counterfeiting issue to reduce overall costs, maximise use of the proactive police and customs teams in Thailand and mediate and resolve disputes — which will be discussed further in part two of this article on Feb 11.

Ultimately, if all else fails, the IP owner can launch a civil or criminal action against the infringer in court. All IP actions fall within the jurisdiction of the Intellectual Property and International Trade Court, which is rapidly becoming a popular forum for IP disputes, as it is Southeast Asia's oldest specialised IP court and one of the few dedicated this issue in the region.

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