

IMPLEMENTATION OF "CONCURRENT USE" CONCEPT BY THE THAI IP&IT COURT



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A concurrent use registration is the registration of a mark already registered by another party based on the assertion that the new registration can coexist with the existing one. The concept of "concurrent use" has been installed in Thai law since 1931 (Section 18, Trademark Act 2474 [A.D. 1931]). Under the current Trademark Act B.E. 2534 (A.D. 1991), this concept is stated in Section 27, paragraph 1:

"When there is an application for registration of a trademark that is identical or similar to one already registered by a different owner in accordance with Section 13, or when there are applications for registration of trademarks that are identical or similar to each other under Section 20 in respect of goods of the same or different classes but in the Registrar's opinion are of the same character, and the Registrar deems that the trademark has been honestly and concurrently used by each proprietor, or there are other special circumstances which are deemed proper by the Registrar to allow registration, the Registrar may permit the registration of the same trademark or of nearly identical ones for more than one proprietor, subject to such conditions and limitations as to method and place of use or other conditions and limitations as the Registrar may deem proper to impose . . ."

Unlike other concepts (e.g., inherent distinctiveness, well-known trademark), there is no specific rule or regulation regarding concurrent use registration procedures in Thailand. Even in cases where there is a Coexistence Agreement or a Letter of Consent between the applicant and the owner of the existing registration (senior registrant), the Registrar and the Board of Trademarks (Board) have always been reluctant to apply this concept. The usual reason for refusing the new application is that the agreement between the trademark owners does not bind the Registrar and the Board to allow the registration. In addition, other evidence presented by the applicant is always considered insufficient to prove that the marks have been honestly concurrently used. In addition, when cases have been initiated or appealed to the Court, the Court has been unwilling to touch upon this concept. For this reason, rather than putting forward arguments based on honest concurrent use, applicants usually argue that their marks are not confusingly similar to the marks of senior registrants.

In a notable exception, *Red Case No. IP139/2547 (A.D. 2004)*, the Plaintiff, a U.K. company, filed a civil suit with the Central Intellectual Property and International Trade Court (IP&IT Court) against the Board for its decision to refuse the Plaintiff's trademark application for the services

in Class 42 relating to tourism and travel, including computer software design relating to holidays and travel. The Registrar and the Board stated that the Plaintiff's trademark is confusingly similar to the registered trademark of a senior registrant, a Korean company, which was registered for the goods in Class 9 covering electronic equipment and computer software programs. The Plaintiff requested the Court to allow the registration of the Plaintiff's trademark under the concept of "concurrent use" in Section 27 of the Trademark Act. During the trial, the Plaintiff submitted evidence demonstrating the actual use of the Plaintiff's and the senior registrant's mark. The history and certificates of worldwide registration of the Plaintiff's mark were also presented along with the facts about the different origins of both marks and the type of business in which both companies are engaged. However, the IP&IT Court ruled that the Plaintiff's trademark was confusingly similar to the registered trademark of the senior registrant and dismissed the case. Unfortunately, the Court did not provide any clear decision regarding the honest concurrent use registration as initiated and alleged by the Plaintiff.

In *GROTTO S.p.A. v the Department of Intellectual Property (DIP), Red Case No. IP 105/2550, September 25, 2007*, the IP&IT Court provided an extremely rare judgment by applying the concept of "concurrent use" under the Trademark Act in order to allow the registration of the trademark "GAS & Device".

In 2003, GROTTO S.p.A., an Italian company, filed an application for registration of the mark "GAS & Device" for goods in Class 25 covering clothing, shoes, jackets, trousers, jeans, shirts, etc. The Registrar rejected the application on the grounds that the applicant's trademark is identical or similar to the trademark "GAS & Triangle Device" of a Thai individual, Mr. Samphan Sae-kae, which had been registered for the goods in Class 25 covering jean pants, jean shirts, shirts, T-shirts, and canvas shoes since 1987 (Registration No. TM63920). The applicant filed an appeal petition with the Board, but the Board upheld the Registrar's decision, being of the opinion that the applicant's trademark consists of "GAS", which is an identical word to that of the registered mark. Even though the devices differ from each other, both parties' trademarks have identical pronunciation, /gas/. In addition, the application for the mark was filed for the same category of goods as that of the senior registrant. Hence, in the Board's opinion, both parties' trademarks are similar marks and, as such, the registration of the applicant's mark may create confusion among the public. For this reason, the applicant's trademark application is prohibited for registration.

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The applicant filed a civil suit against the DIP with the IP&IT Court in an attempt to overturn the Board's decision. The applicant (Plaintiff) claimed and proved that the Plaintiff's trademark "GAS & Device" is clearly different from the mark "GAS & Triangle Device" in appearance. Furthermore, the trademarks of both parties have been concurrently used in Thailand, and during the entire period of use, there has never been any confusion between their products or trademarks. In addition, the Plaintiff has been using the mark "GAS & Device" in good faith, which should be taken into consideration as a special circumstance in allowing the Plaintiff's application to be passed into registration under Section 27 of the Trademark Act.

The following information and evidence were submitted to the Court during the trial:

1. Samples, pictures, and packaging of the Plaintiff's products

bearing trademark "GAS & Device";

2. Advertising materials and pictures of the Plaintiff's shops and boutiques in Thailand;

3. Invoices and other sales documents demonstrating the sales figures and prices of the Plaintiff's products;

4. Certificates of trademark registration of the Plaintiff's trademark in other countries;

5. Affidavit or written statement of the authorized person of the Plaintiff providing the history of the company and trademark;

6. Market survey results on the senior registrant's products and trademark along with the samples of senior registrant's products.

In 2007, the IP&IT Court rendered judgment in the Plaintiff's favor providing the following reasons:

- The origins of both marks are different.

- The Plaintiff's trademark has been used and registered worldwide;

- The Plaintiff's products have been sold in Thailand through its exclusive distributor only;

- The quality and the prices of the Plaintiff's products and those of the senior registrant are different;

- The senior registrant's trademark is not widely used and recognized by Thai customers.

The Court, therefore, believed that the Plaintiff's trademark would not cause confusion among the public in Thailand and should be registered under the concept of "concurrent use". As a consequence, the Court cancelled the Board's decision and ordered the Trademark Office to proceed with registration of the Plaintiff's trademark application.

To the best of our knowledge, this is the first case in which the IP&IT Court has clearly implemented the concept of "concurrent use" for allowing the registration of trademark. This may lead to a reconsideration of this issue by the Registrar and the Board of Trademarks in the future. ♦