Tilleke & Gibbins

Intellectual Property in Thailand



Overview

IP Rights

What is intellectual property?

Intellectual property is the collection of ideas that build your business—from brands and logos to the design of your products to your management practices.

Intellectual assets, as much as physical assets, hold the potential to generate profits for your business, as well as the risk of being stolen or unlawfully used by others. The full protection of your intellectual property (IP) rights is therefore an essential step to ensure that you can maximize the value of your IP.

This handbook is intended to provide you with a brief introduction to IP registration, protection, and commercialization in Thailand.

What are the main types of IP that can be protected in Thailand?

Thai law provides protection for:

- Trademarks
- Patents
- Copyrights
- Trade Secrets

Trademark

Definition

What is a trademark?

A trademark is a mark that is used on, or in connection with, goods or services for the purpose of indicating that they are the goods or services of the proprietor of the trademark, and are different from goods bearing the trademarks of others.

A trademark can include a photograph, drawing, invented picture, brand, name, word, text, letter, numeral, signature, group of colors, shape or figurative element or three-dimensional object, or any combination of these items. Trademarks help consumers to answer questions such as "who makes this product?" and "who provides this service?"

Protection

Do I need to register my trademark?

Trademark registration is not mandatory. But if you want to obtain the exclusive right to use your mark and prevent your competitors from using it, you must register your rights to the trademark with the Thai Trademark Registrar.

Thai law also recognizes the rights of unregistered trademarks. If you own an unregistered trademark, you can take action against anyone who has passed off their goods as being yours. The law also provides protection in Thailand if your mark is well known among consumers.

What types of marks can be registered?

Your trademark will be eligible for registration if it meets the following requirements:

- Your mark cannot be identical or similar to marks that have been registered by others.
- Your mark must be sufficiently distinctive for the general public or consumers to believe that your goods or services bearing the trademark are different from the products of others.
- Your mark must not be forbidden under the Trademark Act. For example, a mark that is identical or similar to a well-known trademark, or a mark that consists of a royal name, a national flag, or a geographical location, may not be used.

How long does registration take?

The process normally takes six months to one year.

How long will my trademark registration last?

Your trademark registration will be valid for a period of ten years from the date you file the application. You can then renew your trademark rights as long as the mark remains distinctive and is still being used in the country.

You can apply for renewal of the trademark within 90 days before your trademark expires.

Will my mark be cancelled if I don't use it in Thailand?

According to the Trademark Act, any interested person or the Registrar may file a petition to the Board of Trademarks to cancel a trademark registration. The petitioner must be able to prove one of the following:

- ▶ At the time of registration, the owner of the trademark had no bona fide intention to use the trademark with the goods or services for which it was registered, and in reality the trademark has never been used for such goods or services in a bona fide manner; or
- During the three years prior to the petition for cancellation, there was no bona fide use of the trademark for the registered goods.

Can my trademark be licensed in Thailand?

You may grant a license to other businesses or individuals to use your registered trademark for any or all of the goods or services for which it is registered. The trademark license agreement must be made in writing and registered with the Department of Intellectual Property.

Are well-known marks protected in Thailand?

The Trademark Act prevents the registration of a mark that is confusingly similar to a well-known mark, regardless of whether the well-known mark has been registered in Thailand. A well-known mark is a mark widely known to the relevant sector of the public.

Your mark will be considered "well known" if it meets the following criteria:

- Your mark has been used on goods or services by way of distribution, or has been used, advertised, or used by other means in the usual manner and in good faith.
- Your mark has been widely used, whether in Thailand or abroad, in the usual manner and in good faith to the extent that it is well known among the general public or those in the relevant industry in Thailand.
- ➤ Your mark has been used to the extent that its reputation for quality is generally accepted among consumers.
- ▶ Either you or your authorized representative or licensee has used your mark—whether locally or abroad—in the ways discussed above.

If you own a well-known mark, the Trademark Act provides a tool for you to file a petition to the Board of Trademarks to cancel the registration of similar marks.

Is there a system to record my well-known mark in Thailand?

There used to be a recordation system for well-known marks, but the Department of Intellectual Property has abolished it. There is currently no indication that a recordation system will be reestablished in the future.

But even in the absence of the recordation system, your well-known mark is still protected under the Trademark Act.

Enforcement

How can I enforce my trademark rights in Thailand?

As the owner of a registered trademark, you can bring criminal charges against anyone who forges or imitates your mark or who imports, sells, offers, or possesses for sale products that bear forged or imitative marks.

Infringers are subject to penalties including fines of up to THB 200,000 and imprisonment of up to two years for imitation offenses. For forgery of a trademark, the penalties increase to fines of up to THB 400,000 and imprisonment of up to four years.

In addition to these criminal penalties, you can also pursue civil remedies for injunctions against infringers, as well as compensation for actual damages.

If you own an unregistered trademark, you are entitled to institute civil action to prevent use and/or to recover damages for infringement, on the ground of passing off.

Patent

Definition

What can be protected under Thai patent law?

You can seek patent protection for:

- ▶ *Inventions*. Section 3 of the Thai Patent Act defines an invention as "any discovery or invention resulting in a new product or process, or any improvement of a product or process."
- Designs. A design refers to "any configuration of a product, or composition of lines or colors, which gives a special appearance to a product, and can serve as a pattern for a product of industry or handicraft."
- Petty patents. Under Thailand's patent law, a petty patent is "an invention that is new and capable of industrial application."

Protection

What are the requirements to protect my patent or design?

To be eligible for patent protection, an invention must be new, involve an inventive step, and be capable of industrial application.

A patentable product design is required to be composed of lines or colors, which give a special appearance to a product; be new; and be capable of industrial application.

Is patent registration mandatory?

In order to have exclusive rights over an invention or a product design, you need to file an application with the Thai Patent Office, which is administered by the Department of Intellectual Property.

What is the scope of protection for my patent?

When your invention patent has been granted, you have the exclusive rights to produce, use, sell, possess for sale, offer for sale, and import into Thailand your patented products or the articles made by application of your patented process.

If you hold a patent for a product design, you have the exclusive right to use the patented design on a product. You also have the rights to sell, possess for sale, offer for sale, or import into Thailand items incorporating the patented design.

How long does registration take?

The registration process normally takes approximately three to five years from the date of filing, depending on the backlog in the number of applications. Certain technological fields may take longer.

How long does a patent registration last?

The term of patent for an invention is twenty years from the filing date. A design patent lasts for ten years from the filing date. The term of a petty patent is six years from the date of filing an application in Thailand, but this term can be extended for two additional periods, with each period being valid for two years.

Can a patent be licensed in Thailand?

You may grant a license for your patent to another person. It is necessary for you and your licensee to make the patent license agreement in writing and register it with the Patent Office.

Enforcement

How can I enforce my patent rights in Thailand?

As a patent owner, you can bring criminal charges against anyone who produces, uses, sells, possesses for sale, offers for sale, or imports any of your patented products or any products resulting from your patented process.

Unauthorized use of a patent or design can lead to fines of up to THB 400,000 and imprisonment of up to two years. For petty patent infringement, penalties include fines of up to THB 200,000 and imprisonment of up to one year.

In addition to these criminal penalties, you can also pursue civil remedies for injunctions against infringers, as well as compensation for actual damages.

Copyright

Definition

What is a copyright?

A copyright is a right granted to the author of a work or to a performer for his or her creative expression of ideas. Copyright works under Thai law include literary, artistic, musical, dramatic, audio-visual, cinematographic, sound and video broadcasting, and other works of a literary, scientific, or artistic nature. However, copyright protection does not extend to ideas, steps, processes or systems, methods of use or operation, concepts, principles, discoveries, or scientific or mathematic theories.

Protection

How are copyrights protected in Thailand?

When you own a copyright, you enjoy the exclusive right to:

- ▶ Reproduce or adapt the work;
- Disseminate the work to the public;
- Rent the original or a copy of the work;
- Grant benefits accruing from the copyright to others; and
- ▶ Grant licenses to other persons to use the work.

Do I need to register my copyright?

Copyright protection is automatic. You do not need to seek registration to obtain copyright protection. Since Thailand is a member of the Berne Convention for the Protection of Literary and Artistic Works, the work of a foreign national will be automatically protected in Thailand if he or she is a member of a country that is a member of Berne, or if his or her work has been first published in a Berne member country.

However, you can record your copyright with the Department of Intellectual Property. Copyright owners often choose to pursue recordation because it can be useful as evidence when enforcing copyrights in Thailand and saves time and costs in proving that: (1) copyright exists; and (2) you are the owner.

How long does copyright protection last?

Generally, copyright protection continues for the lifetime of the author, plus an additional 50 years after the author's death.

Are there limitations and exceptions to copyrights?

The copyright law of Thailand provides fair dealing provisions, which include numerous exceptions to copyrights. These exceptions allow other people to use your copyright work for various purposes, including noncommercial research or study of the work;

private and personal use; comment, criticism, or review of the work with proper acknowledgement; and so forth. The fair dealing rules under Thai law are, however, subject to the requirements that such act neither conflicts with the normal exploitation of the work nor unreasonably prejudices the lawful rights of the owner.

Enforcement

How can I enforce my copyright in Thailand?

As a copyright owner, you can bring criminal charges against an infringer. The penalties for such infringements include fines of up to THB 800,000 and imprisonment of up to four years. Double penalties will be applied for repeat offenses within five years from the date of the completion of the first punishment.

In addition to these criminal penalties, you can also pursue civil remedies for injunctions against infringers, as well as compensation for actual damages.

Trade Secret

Definition

What is a trade secret?

A trade secret is information that is not generally known to the public, which confers on its holder some form of economic benefit or advantage, and the controller of such information takes reasonable efforts to maintain its secrecy.

In Thailand, a trade secret is defined under the Trade Secrets Act as "information that is not generally known to the public, or not yet accessible by persons who are normally connected with the information." The commercial value of such confidential information must be derived from its secrecy. The law also requires that the controller of a trade secret has taken appropriate measures to maintain its secrecy. The following information may be considered a trade secret under Thai law: (1) formulas; (2) compilations or assembled works; (3) programs; (4) methods; (5) techniques; or (6) processes.

Protection

What are my trade secret rights?

When you own a trade secret, you have the right to disclose, use, and permit others to use your trade secret, as well as to prevent others from doing so without your permission.

How can I protect my trade secret?

Trade secret law provides automatic protection and thus no registration is required. However, you may record your trade secret with the Department of Intellectual Property. To fulfill the recordation requirements, you only need to disclose the name of the trade secret or the type of trade secret being recorded. This is sometimes considered by companies before they submit technical (and confidential) application dossiers with Thai regulatory authorities, such as the Food and Drug Administration or the Ministry of Agriculture.

Recordation of your trade secret will be helpful as evidence of ownership and proactive maintenance in any litigation that may arise. Any unauthorized disclosure or usage, or wrongful access of a trade secret, is considered an infringement action.

How long will my trade secret protection last?

Trade secrets are protected as long as they remain secret. Therefore, your trade secret protection can last indefinitely, as long as it is not publicly disclosed.

Are there exceptions to infringement claims?

The following actions are not considered infringement of trade secrets:

- ▶ Disclosure or use of a trade secret by a person who obtained the secret through a juristic act without awareness or without any reason to be aware that the other party acquired such trade secret by violating another person's trade secret rights.
- ▶ Disclosure or use of a trade secret by a government agency responsible for preserving such trade secrets, in circumstances where: (a) it is necessary to protect public health and security; or (b) it is necessary for other public interests, and not for commercial purposes.
- Independent discovery as a result of the expertise of the person making the discovery.
- Reverse engineering.

Enforcement

How can I enforce my trade secret rights in Thailand?

As the owner of a trade secret, you are entitled to take both civil action to obtain compensation and a permanent injunction, as well as criminal action under the Trade Secrets Act. Of course, when a trade secret is misappropriated by a licensee, action may be brought for breach of contract as well.

In general, there is no criminal penalty for anyone who infringes a trade secret by disclosing, taking away, or using a trade secret, except where the person intends to cause damage to the business of the trade secret controller. This is punishable by imprisonment of up to one year or a fine of up to THB 2 million, or both. In addition, the disclosure of a trade secret by any state agency that has the duty to maintain the trade secret from being disclosed, deprived of, or used in unfair trading activities, or by any person who has obtained or knows a trade secret as a result of the performance of his or her duty under the Trade Secrets Act, is subject to criminal penalties.

Intellectual Asset Management

IAM Program

How can I make the best use of my IP?

We recommend that you put in place an intellectual property asset management program (IAM program). An IAM program is, very simply, a program that is designed to help your company establish systems and business processes that will enable you to manage your intellectual property as creatively and as efficiently as you manage your other assets. The underlying purpose of IAM programs developed by Tilleke & Gibbins is always the same:

- ▶ To maximize the value of your company's IP; and
- ➤ To enable you to derive competitive advantage from your IP, and, ultimately, to increase your company value.

What does an IAM program involve?

Often, large companies that are proceeding with their own internal IAM programs, particularly after acquisition of new portfolios or under the terms of a licensing transaction, will call on their

external IP lawyers to assist them to set this up. Our IAM programs are made up of specific modules. Companies decide, usually in discussion with us, which particular modules will be of most relevance and benefit to them. In summary, the key drivers for IAM programs are:

- ▶ The identification and recordal of IP, both registered and unregistered, and the strengthening of legal title to these rights, both in Thailand and elsewhere;
- ► The monitoring of third-party activities for actions that could negatively impact your business;
- The development of systems to ensure that IP is relevant to your business, that it is properly protected and managed, and that maximum commercial advantage is being derived from it; and
- ► The minimization of cost and risk associated with the acquisition, use, and misuse of IP.

How will such a program benefit my company?

Our aim is to ensure that you truly own the IP that will give you a competitive advantage and distinguish you from your competitors, that you are able to enforce those rights quickly and cost effectively should others misappropriate them, and that at every level you are extracting maximum value from your IP.

Tilleke & Gibbins

About

Tilleke & Gibbins is a leading regional law firm with over 150 lawyers practicing in Bangkok, Hanoi, Ho Chi Minh City, Jakarta, Phnom Penh, Vientiane, and Yangon. Our firm represents the top investors and the high-growth companies that drive economic expansion in Asia in the key areas of commercial transactions and M&A, dispute resolution and litigation, and intellectual property.

Our high-caliber intellectual property practice is internationally recognized in anticounterfeiting, IP litigation, strategic filing advice, and commercial IP work. Our success on our clients' behalf has led to global recognition as a leading IP practice by such surveys as Asialaw Profiles, Chambers Asia-Pacific, The Legal 500 Asia Pacific, Managing Intellectual Property, Practical Law Co., Intellectual Asset Management, World Trademark Review, Asia IP, Asian Legal Business, and others.













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