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Letters of Consent: A Viable Tool to Overcome Similarity in Trademark Cases?

ne of the main rules of trademark registration in Thailand is that a trademark must not be identical or similar to a prior-registered mark. This is not, however, an absolute rule—exceptions exist in cases where the use of trademarks that are similar to marks owned by different proprietors does not cause public confusion, or cases where the owner of a prior-registered mark has given written consent to the owner of a later-filed, confusingly similar mark.

Section 27 of the Trademark Act B.E. 2534 (1991), as amended by the Trademark Act (No. 3) B.E. 2559 (2016), allows Thai Trademark Registrars to grant the registration of a mark that is confusingly similar to a prior-registered mark if a Registrar determines that the trademarks have been honestly and concurrently used by each owner, or if there are other special circumstances which allow for registration.

If the Registrar refuses to allow the registration of the later-filed mark, and the applicant appeals the decision citing Section 27, the Board of Trademarks will refer to Article 11 of the Regulations of the Board of Trademarks on the Consideration of Appeal and Cancellation Petitions to make its determination.

Article 11 of the Regulations provides guidance for both conditions under Section 27 (i.e., the proof of honest and concurrent use of the marks by each owner), and the "special circumstances" that Section 27 refers to. The requirements for both conditions focus on the need for evidence of use of the marks in Thailand. Article 11 does not mention letters of

Many proprietors of confusingly similar trademarks obtain a letter of consent from the owner of a prior-registered, similar mark and request the Boards of Trademarks to consider the letter of consent of the owner of the prior-registered mark as a "special circumstance" under Section 27. The Board of Trademarks, however, does not accept letters of consent, nor do they accept coexistence agreements.

The Board of Trademarks usually determines that the trademark law protects consumers from confusion as to the source of goods and services, and therefore, letters of consent or coexistence agreements do not help to reduce a consumer's likelihood of confusion upon being confronted by two companies' products.

In a departure from the norm, however, the Supreme Court did accept a letter of consent as supporting evidence in a case involving similar trademarks. In Supreme Court Case 1147/2552 dated February 19, 2009, the Supreme Court reversed the decisions of the Board of Trademarks and the Intellectual Property and International Trade Court, which had rejected the later-filed mark on grounds of being confusingly similar to a prior-registered mark. The Supreme Court ruled in favor of the later applicant by accepting the registration of the similar mark, citing Section 27, Paragraph 1.

In its decision, the Supreme Court cited many reasons for finding in favor of the later applicant and determined that even though the letter of consent would not change the degree of similarity between the marks, it demonstrated that the owner of the earlier-registered mark had acknowledged that the marks could coexist. The Supreme Court, therefore, determined that it was credible that the owner of the later mark had used the mark in good faith. The Supreme Court considered the letter of consent as one of the pieces of evidence that showed that the applicant of the later-filed mark had used the mark in good faith.

The 2016 amendment to the Trademark Act, which came into effect on July 28, abolished the requirement to register associated marks. Under the previous law, confusingly similar marks owned by the same proprietor had to be registered as associated marks. As a result, all registered associated marks had to be transferred or inherited only as a whole.

Under the amendment, all registrations of associated marks have been cancelled. Consequently, confusingly similar marks can now be assigned piecemeal. For example, if Party A owned the marks ONEA, ONEB, and ONEC for related goods and later assigned the mark ONEC to Party B, Party B would encounter a problem in applying for a new mark, ONED, because Party B's new application would be rejected due to the prior marks that still belong to Party A.

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Section 51/1 of the amendment was enacted to solve situations involving Party B's problem. Under this section, the Registrar may accept the registration of an identical or confusingly similar trademark filed by the assignor, assignee, or heir if the applicant obtains consent in writing for registration of the trademark from the assignor, assignee, or heir, as this is considered a "special circumstance" under Section 27.

As the amendment of the Trademark Act permits confusingly similar marks to be owned by different owners, letters of consent should also be accepted under special circumstances to grant the registration of a similar mark even though there has been no assignment or inheritance of the trademarks. The Registrar and the Board of Trademarks, however, will strictly adhere to Section 51/1 and will apply this section only where there has been an assignment or an inheritance of a trademark.

Letters of consent are now accepted under Section 51/1 of the amended Trademark Act. In addition, under Section 27 of the Trademark Act, letters of consent are sometimes considered by the courts when submitted as evidence to support arguments that confusingly similar marks should be allowed to coexist on the register.

Despite these limitations, brand owners are encouraged to obtain letters of consent, where possible, because they may help demonstrate a brand owner's good faith to the Board of Trademarks and the courts, and they also help facilitate the use of the mark in the Thai market. 🔨