

Parichart Monaiyakul Attorney-at-Law parichart.m@tilleke.com

## Important Supreme Court **Decision on Suggestive Marks**

 ↑ he recent amendments to Thailand's Trademark Act No. 3 B.E. 2559 (2016) introduce a number of significant changes. No changes, however, were made to the requirement of distinctiveness in Section 7, paragraph 2, which states: "a trademark having, or consisting of, a word or clause that has no direct reference to the character or quality of the goods, and is not a geographical name as prescribed by the Minister in the Ministerial Notifications (among others), shall be deemed distinctive."

Brand owners often create marks that directly or indirectly describe their products or services. In Thailand, registrars usually interpret the requirement of descriptiveness strictly, and they have broad discretion in determining the translations of marks and whether certain portions of marks must be disclaimed. In addition, as the Board of Trademarks rarely disagrees with the registrar on these issues, disputes have frequently arisen between brand owners and the Trademark Office over the rejection of suggestive marks for descriptiveness.

In general, a suggestive mark is different from a descriptive mark because in the case of a suggestive mark, a consumer has to use some imagination or creative thinking to determine what kinds of goods or services are being offered under the mark, as opposed to a descriptive mark, where these goods or services are readily apparent from the mark itself.

A decision on distinctiveness was recently issued by the Supreme Court under Supreme Court Case 2587/2559, TMB Bank Public Company Limited v. the Department of Intellectual Property. In this case, the plaintiff filed a trademark application to register the mark "TMB Make THE Difference" (TMB) for banking services in Class 36.

After reviewing the application, the registrar agreed to accept the mark for registration on the condition that the plaintiff must disclaim the exclusive right to the words, "Make THE Difference," because these words are descriptive. The plaintiff did not agree with the registrar's disclaimer requirement and decided to file an appeal to the Board of Trademarks.

The Board of Trademarks confirmed the registrar's decision that the words must be disclaimed on the basis that they are descriptive. The Board also found that the evidence submitted by the plaintiff was not sufficient to prove that the plaintiff had widely and continuously used the words "Make THE Difference" to the point where they had gained a secondary meaning.

The plaintiff then filed a complaint to the Intellectual Property and International Trade Court (IP&IT Court), contending that the Board of Trademarks' decision on the disclaimer was incorrect because "Make THE Difference" is an unusual combination of the three individual words, and together, they are not directly descriptive of the character or quality of the services.

The IP&IT Court agreed with the registrar's and the Board of Trademarks' assessments and ordered the plaintiff's case to be dismissed. The plaintiff then filed an appeal with the Supreme Court. The Supreme Court took a different view toward the issue and considered the meaning of the words in the context of the plaintiff's services.

The Supreme Court found that "Make THE Difference" is not a phrase common to other trade words published by the Trademark Office and that these words, together, are not directly descriptive of commercial banking services. The Supreme Court, therefore, ultimately concluded that the mark "TMB Make THE Difference" is registrable and the plaintiff was not required to disclaim the exclusive right to the words "Make THE Difference." The Board of Trademarks' decision had to be withdrawn.

It is striking that the Supreme Court appears to have a more nuanced approach in making determinations based on the descriptiveness of a mark. In this decision, the Supreme Court appears to be clearly distinguishing between suggestive marks and descriptive marks. If the reasoning that underlies this decision is subsequently followed by the registrar and the Board of Trademarks, this decision should have a lasting impact on the registrability of suggestive marks in Thailand. 🥂