



Left | **Sukontip Jitmongkolthong** — Partner - [sukontip.j@tilleke.com](mailto:sukontip.j@tilleke.com)  
Center | **Wiramrudee Mokkhavesa** — Attorney-at-Law - [wiramrudee.m@tilleke.com](mailto:wiramrudee.m@tilleke.com)  
Right | **Ploynapa Julagasigorn** — Attorney-at-Law - [ploynapa.j@tilleke.com](mailto:ploynapa.j@tilleke.com)

## Case Studies of Successful IP Enforcement in Thailand in 2018

When encountering infringing activities, brand owners may question what options are available to them. Generally, IP enforcement options in Thailand include customs seizures, cease-and-desist letters, negotiations, mediations through the Department of Intellectual Property, and criminal and civil litigation. Each option has its advantages and disadvantages and is applicable to different situations. Options could be completely ineffectual in certain cases unless brand owners choose the right one.

Tilleke & Gibbins' lawyers and in-house investigation team have extensive experience and a well-established record of assisting brand owners in enforcing their rights in Thailand and Southeast Asia. This article presents a few examples of successful IP enforcement actions undertaken by our firm in early 2018 to resolve infringement of our clients' valuable IP rights.

### Customs Seizure of Counterfeit Goods in Transit

Thailand's new Customs Act was enacted in 2017 to replace the Customs Act 1926. The new law introduces penalties for transit and transshipment of counterfeit and pirated goods, including imprisonment of up to 10 years, or a fine of up to THB 400,000, or both. The new penalties broaden the scope of protection at the nation's borders and are very beneficial to brand owners.

In February 2018, Tilleke & Gibbins acted in the very first case involving the seizure of counterfeit goods in transit in Thailand. Our firm was notified by officers at Laem Chabang Port Customs Bureau, who suspected that an incoming container held counterfeit goods based on information provided by an informant that suspicious goods were being imported into Thailand.

Officers inspected the container's documents, which declared that the shipment was imported kitchenware that was being transported from China through Thailand and into Lao PDR. The customs officers proceeded to x-ray the container and noticed that the sizes of the packages in the container were quite varied, further raising their suspicions and prompting the decision to open the container.

As the final destination of the container was to be Lao PDR, officials from the Lao PDR Embassy in Thailand were invited to witness the opening of the container. Lao officials declined to send anyone to witness the opening of the container, and thus customs officers requested the vessel's agent to be the witness. Upon opening the container, it was found that most of the goods contained inside were potential counterfeits, with officers seizing more than 100,000

items, including apparel, shoes, handbags, electronic appliances, auto parts, and accessories.

With the new stringent measures set out by the Customs Act of 2017, customs officers are now more empowered to support IP enforcement to suppress the transportation of counterfeit and pirated goods in all possible ways, including in transit and transshipment.

### Raid Actions against Counterfeit Products

Our client, a well-known Thai food manufacturer and distributor, recently discovered that potentially unsafe counterfeit foods were being sold across many provinces in Thailand. Our client thus entrusted Tilleke & Gibbins with an anticounterfeiting project, with the aim to entirely eliminate the counterfeit products in the market to protect Thai consumers.

In April 2018, we provided our client with investigation services conducted by our in-house investigation team, advised on strategic planning and the most feasible legal options, and coordinated with the police at the Economic Crime Suppression Division to conduct raid actions against wholesale and retail shops selling the counterfeit foods.

In just a few months, we successfully conducted three raid actions and seized more than 1,400 counterfeit items from infringers, creating a strong deterrent against other similar counterfeit products in the market and sending a strong message to the public that our client is not reluctant to take strong legal action against any infringers, regardless of the size of the infringers' business, in order to protect the Thai public from risky counterfeit foods.

### Amicable Settlement through Negotiations

Some people may think that threatening to initiate legal action is the only way to stop infringers from continuing their infringing activities. But many disputes can actually be amicably resolved by negotiation, which can confer many benefits to the brand owners involved.

In March 2018, our firm assisted a world-renowned Japanese electronics company in enforcing its rights against several importers and distributors of infringing products. After sending a cease-and-desist letter, we engaged with the infringers to explain the legal grounds and the purpose of us sending the letter to them. Like in many other similar cases, the infringers declared that they had not intended to infringe our client's rights since they had no knowledge of such IP protection. Through negotiations, our team convinced the infringers to comply with all of our demands, sign a letter acknowledging our client's rights, and agree to refrain from future infringement. The infringer also recalled all the infringing goods from their distributors and returned nearly 200 counterfeit items to us for destruction.

By negotiating on our client's behalf, we were able to stop the infringing activities immediately, destroy the infringing products, and obtain a guarantee for future compliance through a letter of undertaking rather than initiating potentially costly and time-consuming litigation in court. Through negotiations, it is also possible to obtain disclosure of the source of counterfeit products to take further legal action against the manufacturer, or even request compensation for damages.

Thai laws provide numerous tools for brand owners to protect and enforce their rights, with laws regularly amended to strengthen measures against infringing activities, such as the new Customs Act 2017. With the range of options available, it is important for brand owners to select the most suitable approach for their specific circumstances. 🏠