

Another notable similarity between the two cases was the submission of public consumer surveys as evidence of consumer perceptions about the distinctiveness of Booking.com's marks. Conducting the surveys proved to yield valuable supporting evidence germane to the courts' determinations in both jurisdictions. In Thailand, the use of consumer surveys as evidence in cases regarding non-distinctiveness of a trademark is extremely rare. However,

according to the judgment of the Court of Appeal for Specialized Cases, a survey can supplement the evidence adduced and can help prove whether a mark can convey a source-identifying meaning in the view of the public consumer.

These similarities are encouraging both for their confirmation that brand owners with well-known descriptive marks still have avenues available for protecting their intellectual property, and for their indication of consistency in the treatment of trademarks in two varying jurisdictions (i.e., Thailand and the U.S.). 🦋



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Canceling a Thai Trademark Registered in Bad Faith

It is not unusual for brand owners to take a closer look at the Thai market for their products only to find that a third party has already applied for registration of their trademark. Brand owners who face this situation usually become aware of it when they consider entering the Thai market after their brand has already become famous and successful elsewhere. Well-known marks are often usurped when a bad-faith applicant intentionally registers a trademark to benefit from the goodwill and reputation associated with that trademark. As Thailand is a first-to-file system for trademark registration, supplying proof of intention to use is not a requirement for registration. Thus, if a legitimate brand owner has never registered their trademark in Thailand, a bad-faith applicant might take advantage of this opening to file another person's trademark in his or her own name.

Overlooking the early securing of trademark rights in Thailand can lead to complex problems, even when brand owners have a relationship with a distributor in Thailand. The problem usually comes to light when a brand owner seeks to end their relationship with one distributor and start a business relationship with a new partner. In some cases, brand owners are blindsided when they learn that the previous distributor had surreptitiously filed for registration of the trademark in the distributor's own name without alerting them—meaning that the former distributor now holds exclusive rights over the use of the trademark in Thailand.

After finding out about a bad-faith trademark registration, many brand owners seek to cancel the Thai registration of the trademark to which they have better rights than the registrant. The Trademark Act provides several mechanisms that brand owners can rely on to pursue cancellation of trademark's registration; however, none of the law's provisions clearly state the possibility of cancelling a trademark registered in bad faith. Below, we explore two possible methods for cancellation of a bad-faith registration, depending on which authority considers the matter.

Cancellation with Board of Trademarks

A cancellation petition may be filed with the Board of Trademarks through one of two routes—one for “interested parties” (that is, affected parties, such as a legitimate brand owner) and one for anyone. While neither route is based on legal provisions clearly stating how to cancel a registration

based on a bad-faith argument, they are viable possibilities for those seeking cancellation, with different criteria and requirements pertaining to each route.

If an interested party files a cancellation petition with the Board of Trademarks to challenge the mark's general registrability, the board will re-examine the distinctiveness, similarity, and legality grounds under section 61 of the Trademark Act. As a legitimate brand owner usually qualifies as an interested party, that owner can file a petition to cancel the mark on grounds that it is identical or confusingly similar to the legitimate owner's trademark, which was already registered outside of Thailand, and should therefore not have been filed.

A person not claiming interested-party status who wishes to file a cancellation petition must be of the opinion that the registered trademark is contrary to public order, morality, or public policy (Trademark Act, Section 62). As a bad-faith filing may be interpreted as contrary to these things, it should qualify for cancellation.

However, proving the bad faith of the registrant to the Board of Trademarks can be difficult, since there are no witness hearings. The Board of Trademarks considers only documentary evidence, which usually does not clearly reveal the registrant's intention, whether the registrant possessed knowledge of the original brand, or whether they intentionally copied the original brand to be registered as their own.

Cancellation with the IP&IT Court

Better right grounds—that is, assertions that the genuine brand owner has a more legitimate right to use their own trademark than the registrant in Thailand does—are typically the most relevant legal grounds for cancellation of a trademark registered in bad faith. Section 67 of the Trademark Act provides that a legitimate owner may file a lawsuit for cancellation of a bad-faith trademark registration on better right grounds in the Central Intellectual Property and International Trade Court (IP&IT Court), provided that it has been registered for less than five years.

If a trademark has been registered for more than five years, it cannot be cancelled. This has already been challenged in court, with at least one brand owner arguing that the five-year limitation should only apply if the trademark in question was filed in good faith, and that brand owners should be able to cancel trademarks registered in bad faith even after the five-year period has expired. However, the Supreme Court rejected the argument and ruled that, as the five-year time period had expired, the trademark registration in that case could not be cancelled despite the brand owner having a better right to it.

Proving the bad faith of the registrant can be easier and have higher chances of success in the IP&IT Court, so most legitimate brand owners opt to do this rather than file a cancellation against a bad-faith registration through the Board of Trademarks. Again, however, if the trademark registration has been active for longer than five years, the IP&IT Court will reject the request.

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Canceling Long-Standing Bad-Faith Registrations

Despite this conservative approach, it can still be possible for a legitimate trademark owner to cancel a bad-faith registration that has been active longer than five years, especially when there is a precedent judgment ruling that the trademark was filed in bad faith. In this case, the cancellation petition—along with evidence of the prior ruling—should be filed with the Board of Trademarks, which would consider the evidence and may cancel the trademark.

Tilleke & Gibbins has had a great deal of success with this approach, including in a recent case on behalf of a leading fertilizer company, which had filed a cancellation petition with the Board of Trademarks. Since there was a precedent judgment ruling that the disputed trademark was filed in bad faith, the Board of Trademarks ordered the cancellation of the trademark. The owner of the cancelled trademark then appealed the decision to the IP&IT Court, which agreed that the trademark was filed in bad faith, dismissed the case, and confirmed that the Board of Trademarks had correctly ordered the cancellation. The case was

further appealed to the Specialized Appeal Court, which affirmed the IP&IT Court's judgment, reasoning that the Board of Trademarks remains empowered to cancel a registered trademark under Sections 61 and 62 of the Thai Trademark Act, even if the bad-faith trademark has been in force for more than five years.

Selecting a Strategy

In summary, the legitimate owner of a trademark has a number of options for seeking cancellation of a trademark registered in bad faith. For marks that have been registered for less than five years, brand owners can file a petition with either the Board of Trademarks or the IP&IT Court. If a bad-faith trademark registration has been active for longer than five years, brand owners may still be able to file a cancellation petition with the Board of Trademarks. With these options, brand owners should be in a favorable position if they find that their intellectual property has been infringed upon by a bad-faith trademark registration in Thailand. At that point, it will be important to assess the circumstances of the case and develop a comprehensive legal strategy accordingly to regain full exclusive rights over the trademark. 🏡

Indonesia's Omnibus Law Amends the Patent Law and the Trademark Law to Support Foreign Investment

Indonesia's long-deliberated Omnibus Law (Law No. 11 of 2020) was enacted on November 2, 2020, implementing a number of amendments to Indonesia's intellectual property laws. The law is intended to aid foreign investment. The changes pertaining to intellectual property law include reducing the time required for prosecution of simple patents, providing greater flexibility in regard to the working requirement for patents, and making some practical administrative amendments to the trademark law. These are summarized below.

Patent Law

The Omnibus Law's amendments to the Patent Law pertain to the following three areas:

Simple patents

The amended law slightly updates and clarifies Indonesian law's treatment of simple patents, which are now defined as simple patents granted for new inventions, improvements to existing products, with practical uses and industrial applications. The language stipulating "practical uses" is new, though it is still too early to know how this additional language might affect the decision-making process for granting patents. In addition, "improvements to existing products" is now explicitly defined to include simple products, simple processes, and simple methods.

Simple patent applications must now be published within 14 days from the filing date, with a shortened publication period of 14 working days. Substantive examination must be requested at the time of filing the application, and any opposition to the simple patent application will be considered during the substantive examination stage. Finally, the decision to grant or refuse a simple patent will be issued no later than six months from the application filing date.

Working requirement

The working requirement (i.e., the requirement that the owner of a patent implement the patented innovation in Indonesia) has been broadened. Patent implementation now includes making, importing, and licensing the patented product, process, method, system, or usage. Previously, this

provision only mentioned producing the products or using the process in Indonesia. This meant that a foreign patent holder would have needed to have a manufacturing facility in Indonesia in order to meet this requirement, or risk the patent becoming vulnerable to compulsory licensing or cancellation.

Patent holders are still allowed to request postponement of the patent implementation requirement if necessary.

Compulsory licensing

Article 82 on compulsory licensing has been amended to complement the amendments of the working requirement, making it possible for patent holders to avoid compulsory licensing if they import or license the patented product, process, or method.

Trademark Law

The Omnibus Law also makes a few amendments to the Trademark Law:

- ◆ The law's list of marks that are not registrable now includes marks containing a functional form.
- ◆ To speed up the prosecution process, substantive examination will now be carried out as soon as the publication period ends, and will be completed within 30 days, if there is no opposition; or within 90 days if an opposition has been filed.
- ◆ The amended law no longer mentions collection of the certificate, since all certificates are issued as e-certificates.

Implementation

While it remains to be seen whether the implementation of the amendments related to timing will expedite trademark and patent prosecution times in line with the stipulated durations, the changes are a good indication of the government's intentions and goals. Other amendments—most notably the broadening of the patent working requirement—should be relatively straightforward to implement and are likely to achieve the Omnibus Law's goal of aiding foreign investment.