6th EU-Thailand Intellectual Property (IP) Dialogue – September 2018

The International Trademark Association (INTA) appreciates the opportunity to contribute to the EU-Thailand IP Dialogue. INTA members are encouraged by the IP Dialogue discussions which hopefully will lead to further improvements on the protection and enforcement of trademark rights and related rights in Thailand.

In March 2017, INTA submitted comments focusing on some key policy priorities in Thailand: counterfeiting-related issues; some aspects of the application and registration process of trademarks and designs protection. INTA’s comments below expand on those same priorities. We hope you will find these comments helpful in the context of the upcoming 6th EU-Thailand IP Dialogue.

I- ANTICOUNTERFEITING ISSUES

We note some positive progress in the anticounterfeiting field since March 2017. The current Government has launched a 20-year Roadmap for IP and it has been focusing on reducing counterfeits. Some actual progress has been achieved through a number of targeted large scale anti-counterfeiting raids in some problematic markets.

Police

Our members continue to report issues regarding special investigations and economic crime units of the Thai police, which tend to not act on their own. Some local police authorities in touristic areas such as Phuket and Koh Samui are said to be inactive and require brand owners to ask a team from Bangkok, which is expensive and includes higher risks of operational leaks.

Constant and regular raid actions are necessary but very costly and not sustainable for brand owners. We would thus recommend that more police resources be dedicated to raid actions, via perhaps some rotating raid teams from city to city and/or province to province. This would be a welcome replacement to publicly announced projects throughout the year, which alert infringers and help them to change their strategy on certain markets beforehand.

Damages and penalties

Civil damages are low and difficult to prove in court. Criminal penalties are also low, they do not offer deterrence to infringers. Jail time, if any, is usually suspended.

Landlord liability provision

We would encourage provisions establishing landlord liability. Casual and informal stall setup at night markets continues to be a problem where market management does not have any records or stall holder identification for the rentals.
Customs

Since INTA’s last submission, the Thai Customs Act was revised by Customs Act B.E. 2560 (2017).

On August 20, 2018, INTA and the Intellectual Property Association of Thailand (IPAT) co-organized a half-day policy dialogue on border measures—challenges and successes and best practices in combatting online counterfeiting in Bangkok. During the policy dialogue, the changes introduced in the Customs Act were praised. Notably, the Act’s provision establishing customs’ power of seizing, in Thailand, imported, exported and in transit goods was welcomed.

Nevertheless, the previously observed challenges in this field continue to be relevant. For instance, some consumers of counterfeit goods in Thailand are tourists and ultimately such counterfeit products are taken out of Thailand. Customs checking on the outbound and multiple quantity items seized on the spot would be helpful.

Moreover, it continues to be difficult to identify the infringer in customs cases in Thailand. When counterfeit goods are stopped and confiscated when entering Thailand at the border, it is difficult to obtain any information about the owner of the goods. In most cases, action can only be taken against the importer of the seized shipment. The importer has no obligation to reveal any information regarding the owner of the counterfeit goods, and the customs officer has no authority to force the importer to reveal this information.

II- TRADEMARKS

The comments submitted on trademarks in our last submission are updated as follows:

Distinctiveness of trademarks

It continues to be very difficult to prove distinctiveness of a trademark and lack of distinctiveness is found frequently.

Goods and services descriptions

As noted in INTA’s 2017 submission, goods and services descriptions are frequently rejected. There is a lack of consistency between examiners: for instance, some require different translations or multiple notifications. This seems to be linked to a feature of the Thai language, in that terms frequently “shift” over time. A potential solution would be to get an official translation of terms from English (or other languages) to Thai.

Additionally, we note that more clarification on goods and services descriptions is needed. The trademark registrars have been quite strict on level of specificity of a specification of goods and services. Although the Thai Department of Intellectual Property (DIP) has formally adopted the Nice Classification, it does not seem to follow this international classification system and continues to rely on its own standards and guidelines. In this context, we recommend that the DIP is encouraged to effectively observe and follow the Nice Classification.
Multiclass applications

In our submission of March 2017, we noted that clarification regarding multiclass applications, notably on the possibility to divide applications in case of rejection of one or more classes, was needed. We then stressed that the lack of guidance from the DIP on this issue resulted in brand owners filing single class applications, which is more costly.

It is now clear that if a multiple-class application is rejected by the DIP on the ground of lack of distinctiveness or similarity to a prior registered mark, even for only some but not all classes, the application is considered rejected as a whole. Moreover, an appeal against a decision of the DIP not to register the trademark for some classes in a multiple-class application is considered an appeal of the decision as a whole, which may result in a delay in obtaining protection for the non-disputed class(es).

Additionally, the applicant is not allowed to file a request to split a multiple-class application into single-class applications if the application is rejected by the DIP or if an opposition is filed against some but not all classes.

In the interest of cost and time savings for brand owners, INTA recommends that the DPI accepts the division or "splitting out" of non-rejected classes. These classes should be allowed to proceed through the registration and, where applicable, opposition process, while the rejected class(es) is/are addressed separately.

Madrid System for International Registration of Marks

In our last submission, we encouraged Thai authorities to implement the Madrid System. The Madrid Protocol entered into force in Thailand on November 7, 2017 and it seems to be running well. We understand that there have been more than 3,000 applications directed to Thailand via the Madrid System. Considering that the Madrid System is still in an early stage of application in Thailand, no major issues in the prosecution or enforcement of international applications have been reported in this jurisdiction.

It has been noticed that DIP officers often face difficulties to translate received applications, filed through the Madrid System, from English to Thai, especially where the translation of items of goods and services is concerned. We believe that legal certainty would benefit from a clear solution dealing with errors in the translation which may affect the trademark’s scope of protection and be problematic when enforcing rights.

III- DESIGN PATENTS

Most of the comments submitted by INTA in March 2017 in the field of Designs remain applicable and are, with a few modifications, readdressed below.

Design patents in Thailand aim to protect the ornamental aspects or aesthetics of an article including features pertaining to the shape, configuration or pattern.
Inability to protect partial design patent

As per its Model Design Law Guidelines, INTA supports the protection of partial designs, i.e., the possibility to register a part of a product as a design provided that it otherwise meets the requirements for registration.

Thailand does not allow using broken lines in drawings. As such, priority applications filed with figures including them must be revised to either remove the broken lines or convert them to solid lines. This can result in a design patent that has a different (usually narrower) scope of protection than what was intended.

We encourage a change in practice that would allow the use of broken lines to indicate parts of the design for which protection is not being sought. Allowing the use of broken lines would help showing those parts of the design for which protection is NOT claimed.

Inability to use shading in figures

Thailand does not allow the use of shade lines in figures. As such, priority applications filed with figures including shading must be revised to remove shade lines. This can result in a design patent that may not accurately represent what is intended for protection. Therefore, we support that the Thai practice is changed in this respect so that the use of shading in figures be permitted.

Inability to protect design patents consisting of discrete pieces that work together

As an example, we note that Thailand considers an unassembled watch band to consist of 2 separate designs. Thus, for a design, like the one shown below, Thailand would require dividing the upper and lower band into two separate applications.

Alternatively, the upper and lower band may be kept in the same application, if they are drawn in an assembled configuration, as shown below. However, drawing the bands in this way may hide some details.

In order to overcome such difficulties, we recommend that the registration of design patents consisting of discrete pieces that work together be accepted.
No grace period for unauthorized disclosure of a design patent before filing

Thailand requires absolute novelty. Thus, design patents that have been non-confidentially disclosed by the designer/applicant—even unauthorized leaks by a third party—cannot receive valid design patent protection. Some countries, like Malaysia and China, have grace periods that permit obtaining a valid design patent on a design that was leaked by a third party, without the authorization of the designer. In Malaysia and China, the grace period is 6 months and applicants must submit certifying material detailing the unauthorized, non-confidential disclosure.

Some jurisdictions like the European Union with respect to Registered Community Designs, the U.S. and Japan, have grace periods - of 12 months from the first non-confidential disclosure - that permit obtaining a valid design patent on a non-confidentially disclosed design.

In accordance with its Model Design Law Guidelines, INTA supports a 12 month grace period that allows registration of a design within 12 months of an initial use or disclosure of the design by the proprietor or as a result of information obtained from the proprietor (including as a result of an abuse). This proposal is also consistent with the Hague Agreement concerning the International Registration of Industrial Designs (the “Hague Agreement”) which provides for recognition of the grace period provided for in the national law of Contracting Parties. A harmonized grace period of 12 months assists designers, and particularly individual designers and SMEs, by avoiding inadvertent loss of rights.

Clarification of whether animated GUI/icons can be protected by design patents

We understand that generally design patent protection is not available for Graphical User Interfaces (GUI), icons and fonts in Thailand. However, if the GUI is depicted on a medium (such as computer screen, mobile phone screen or smart phone screen), it may be patentable. In addition, the GUI must be fixed and not moved in order to receive design patent protection in Thailand.

In the last 10 years, there has been an obvious and acknowledged surge in use of GUIs, icons and fonts in many industries around the world. From a design perspective, many of these GUIs, icons and fonts demonstrate high levels of design innovation. From a consumer perspective, consumers now know, immediately, to associate particular GUIs, icons and fonts with particular producers of goods and providers of services. Since the commercial success of a product or service often depends on these creative and innovative design choices, protecting GUIs, icons and fonts is important to differentiating one product from another in the marketplace. In many instances, GUIs, icons and fonts have become a key aspect of a company’s overall brand. They should therefore be considered a part of the overall IP portfolio, and design protection is needed to assure the legal framework for their protection.

In many instances, the lifespan of this kind of technology is very short. The granting of design protection is therefore fitting. Of course, GUIs, icons and fonts may be eligible for overlapping protection via multiple intellectual property rights (such as copyright and/or trademarks). INTA therefore supports design protection for GUIs, icons and fonts. Moreover, and as recently stressed in INTA’s submission to the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications of the World Intellectual Property Organization on the topic of GUI, Icon and Typeface/Type Font Designs, we believe that protection should not be dependent on the product in which the GUI is incorporated.
We acknowledge that the requirement for a link between GUIs and the article on which they are displayed, existing in different jurisdictions, can be explained by the concern that the scope of the registered designs may otherwise become very broad, thereby providing the design’s owner with overbroad rights. This requirement is also based on practical reasons, including that of facilitating searches by examining offices and obviating the need for companies to conduct a freedom-to-operate search beyond their business areas.

However, we believe that this requirement may be problematic, notably for those companies that develop software alone and not hardware but are nonetheless obliged to include hardware in their application. It has been observed in some of those cases that in order to still be able to apply for GUI design protection, companies use third party proprietary hardware. Moreover, one can easily imagine future designs that are not projected on a display at all but are projected into space and visible by a user, such as a hologram.

For these reasons, INTA believes that a link between a GUI design and an article should not be required in order not to stifle such creative designs in the future and to allow them to be adequately protected regardless of the article which generates the design. Indeed, technology is developing very fast and it is not always possible to foresee where a design can or will be displayed, as this may not be known when creating the design. Moreover, the effort of creating a design (innovation effort) should be protected independently of where it is used, i.e., the scope of protection should not be linked to a particular product. Finally, it should be noted that an immaterial design can be shown by different users in different devices. Therefore, creators should be able to obtain protection for the design independently of the device showing it.

In practice, the transferability of GUIs, icons and fonts across technology means that it is essential, if protection for GUIs, icons and fonts is to be real, that it is not dependent on the product that incorporates them. INTA’s view is that users are best placed to determine how to disclose an innovative design for the purposes of applying for its protection. INTA therefore advocates that the designer be given the choice as to how best to represent the design. If the designer wishes to apply to register the GUI or icon in relation to a specific product, she/he should be able to do so. If the designer wishes to register the GUI or icon in the abstract, she/he should also be able to do so.

Adherence to the Hague Agreement

As noted in our submission of last year, Thailand should be encouraged to adhere to the Hague Agreement, in line with our Board Resolution on the matter.

About INTA

The International Trademark Association (INTA) is a global association of trademark owners and professionals dedicated to supporting trademarks and related intellectual property to foster consumer trust, economic growth, and innovation. INTA's members are more than 7200 organizations from 191 countries. INTA members collectively contribute almost US $12 trillion / €8.8 trillion / ¥73 trillion to global GDP annually. For comparison, the 2013 annual GDP of the top three markets was $9.2 trillion (China), $17.9 trillion (European Union) and $16.7 trillion (United States).

The Association's member organizations represent some 31,000 trademark professionals and include brand owners from major corporations as well as small- and medium-sized enterprises, law
firms and nonprofits. There are also government agency members as well as individual professor and student members. INTA has 1,471 member organizations in the European Union and 27 members in Thailand.

INTA undertakes advocacy work throughout the world to advance trademarks and related rights, and offers educational programs and informational and legal resources of global interest. Headquartered in New York City, INTA also has offices in Brussels, Shanghai, Singapore, Santiago de Chile and Washington D.C. and representatives in Geneva and New Delhi.

Further information about our Association can be found at [www.inta.org](http://www.inta.org).

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