

Intellectual Property



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## **Trademark Mischief-Makers**

In this digital age, market players are afforded various means of discovering and analysing the use and profitability of certain trademarks. This has led to instances where some market players opt to register similar trademarks in order to capitalise on their commercial value. More often than not, these registrations are pursued without regard to the rights of the true owner of the trademarks. More so when the true owners themselves take no steps to protect their exclusive rights by registering their marks.

Fortunately, not all is lost. There are legal mechanisms available to the aggrieved trademark owners. A registered trademark may be revoked by the Registrar<sup>1</sup> or by Courts on the grounds of 'non-use'.<sup>2</sup> Moreover, it can also be invalidated on the grounds that it was registered in breach of Section 23 of the Trademarks Act 2019.<sup>3</sup>

## **Preliminary Requirements**

The fundamental issue before considering whether an application for revocation and invalidation could be

<sup>&</sup>lt;sup>1</sup> Trademarks Act 2019 ("**TMA 2019**"), s 45

<sup>&</sup>lt;sup>2</sup> TMA 2019, s 46

<sup>&</sup>lt;sup>3</sup> TMA 2019, s 47

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sustained is to determine whether the party who brings an action is an 'aggrieved person' under the law. This person must not be 'a busybody, a crank or a mischiefmaker',<sup>4</sup> and is required to show<sup>5</sup> that –

- (i) The person used the mark as a trademark.
- (ii) The person has a genuine and present intention to use the unregistered mark.
- (iii) There is use or intention to use that trademark in the course of a trade.
- (iv) The trade in issue must be one which is the same as or similar to the trade of the owner of the registered trademark that the person wants to have removed from the register.

Once it is satisfied that the person is an "aggrieved person", the court will then move on to consider the substantive issues of revocation and invalidation.

## Revocation

The principle as laid down in *Godrej Sara Lee Ltd* is that the plaintiff who applies for the revocation on grounds of non-use shall at the outset prove a prima facie case of non-use.<sup>6</sup>

A trademark registration can be revoked on the following grounds  $^{7}\,-\,$ 

(a) The trademark has not been put to use by the registered proprietor or with his consent within three years after the date of issuance of the

<sup>&</sup>lt;sup>4</sup> Inner Mongolia Mengniu Dairy (Group) Company Limited v SIMS Capital Sdn Bhd [2023] 1 AMR 892 at para [19]

<sup>&</sup>lt;sup>5</sup> Re Arnold D Palmer In the Matter of Trade Mark Registration No. 63249 [1987] 2 MLJ 681

<sup>&</sup>lt;sup>6</sup> Godrej Sara Lee Ltd v Siah Teong Tech & Anor (No.2) [2007] 7 MLJ 164 at para 19

<sup>&</sup>lt;sup>7</sup> TMA 2019, s 46 (1)

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notification of registration, and there are no proper reasons for non-use.

- (b) The use of the registered trademark has been suspended for an uninterrupted period of three years and there are no proper reasons for such non-use.
- (c) The trademark has become common in the trade as a consequence of acts of inactivity of the registered proprietor.
- (d) The use of the registered trademark is liable to mislead the public in respect of the nature, quality, or geographical origin of such goods or services.

Once a prima facie case of non-use is proven, the burden shifts to the registered proprietor of the trademark (defendant) to show evidence of use during the material period.

## Invalidation

Section 47 of the Act provides that a trademark registration may be invalidated if it was registered in breach of Sections 23 or 24 (absolute and relative grounds for refusal of registration), or was registered by fraud or misrepresentation.

This was illustrated recently in *Inner Mongolia Mengniu Dairy*. Here, the plaintiff brought an action against the defendant upon discovering that the defendant had secured registration of the impugned trademark. It was held that the defendant's trademark ought to be invalidated pursuant to Section 47(1) since such registration was in conflict with Section 23(5), as there was a likelihood of confusion between the plaintiff's and the defendant's trademarks.<sup>8</sup> Additionally, the High Court also agreed that the defendant's trademark ought to be invalidated on the ground that the defendant's trademark

<sup>&</sup>lt;sup>8</sup> Inner Mongolia Mengniu Dairy (Group) Company Limited v SIMS Capital Sdn Bhd [2023] 1 AMR 892 at para [43] – [44]



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Website www.lh-ag.com was registered based on fraudulent misrepresentation to the Registrar of Trademarks.9

However, there are certain circumstances under which the trademark registration cannot be declared invalid. For instance, if a trademark becomes distinctive due to its use with the goods or services for which it is registered. Additionally, if the proprietor of an earlier trademark has given consent to the registration, the trademark registration will also not be deemed invalid.

Delving into a wider context, the trademark proprietor of a well-known trademark may apply to the Court for a declaration of invalidation of a registered trademark if the latter is identical with, or similar to, a well-known trademark in Malaysia, or if the registration was obtained through fraudulent means.<sup>10</sup>

### Conclusion

In short, there are legal avenues available for aggrieved trademark owners to protect their trademark or to remove one's trademark registration by way of revocation or invalidation.

If you have any further queries, please contact associate, Chan Wei Li (wli@lh-ag.com), or her team Partner, Chng Keng Lung (ckl@lh-ag.com).

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<sup>9</sup> Ibid, at para [49] – [50] <sup>10</sup> TMA 2019, s 76