KDN NO.: PP12637/08/2012(030330) Issue #3, December 2011

### **MALAYSIA AND** THE MADRID SYSTEM ARE WE THERE YE

Switzerland, the system offers a simple, cost-effective alternative to in other countries via what are known as 'direct national filings'. The Madrid Protocol was then introduced in 1996 with features that and proper training for its human removed the difficulties inherent in resources. Backlogs should ideally the Madrid Agreement.

In a recent National Seminar on Madrid Protocol jointly organized by the Ministry of Domestic Trade, Co-operatives and Consumerism, the Malaysian Intellectual Property Office (MyIPO) and WIPO, there were strong indications that the Malaysian Government will accede to it by 2013, ahead of its 2015 obligation under the ASEAN Economic Community.

A lot of work is required before the above can materialise. Firstly, changes to the Trade Marks Act 1976

**■he Madrid System for the** are necessary together with its International Registration of accompanying Regulations. To this Marks was established under end, the Malaysian Government has the Madrid Agreement in 1891. already drafted amendments to the Administered by the International Trade Marks Act, which include Bureau of WIPO located in Geneva, provisions for acceding to the Madrid Protocol.

Secondly, MyIPO must make obtaining trademark registrations significant improvements in terms upgrading its infrastructure particularly its ICT capabilities to cope with the incoming international filings cleared. Continuous public consultation, both with the industry's practitioners and the public would also be most welcomed, to educate the latter and for the former to allav their concerns.

> As at November 2011, this year's filing statistics indicate MyIPO has received more than 20,000 trade mark applications. More of interest is the recent trend that shows an almost equal number of filings by Malaysian

individuals and companies when compared to the foreign applicants. It cannot be denied that once Malaysia accedes to the Madrid Protocol, Malaysian businesses will have the opportunity

to expand their trade mark protection across 80 member countries. This in turn will facilitate growth and trade as well as develop their export markets.

Having said that, it is vital to remember that the comparative ease of filing under the Madrid Protocol does not necessarily mean applications will automatically translate

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into registrations. After designating countries of choice, a Malaysian applicant must choose whether or not they wish to continue with the application in each designated country and once they do, the application reverts to a home application, subject to each country's rules and practice. This means that prior to utilizing the Madrid Protocol system a Malaysian business must obtain proper and comprehensive advice with regard to their global IP protection policies, so as to ensure successful registration whilst enjoying the reduced costs afforded by the Madrid Protocol. Ideally, this should be in line with its business activities.

To summarize, change may not be a bad thing but from this humble writer's point of view, the road ahead leading to a successful accession and implementation of the Madrid Protocol will, in all probability, be an exciting and challenging one for those concerned.

# The Malaysian Catheter Wars

ollowing our recent published article entitled "Patents Come Alive", there has been two Court decisions this year concerning the Malaysian patents of B. Braun Melsungen AG, one of which was an infringement action against Terumo Kabushiki Kaisha & Anor under Civil Suit No: D5(IP)-22-2374-2008.

This infringement action centered on B. Braun's safety intravenous (IV) catheter that comprises a catheter hub, a catheter, a needle and a needle guard retained in a ready position within the hub. The needle guard has two resilient arms, urged away from each other by the needle in the ready position.

B. Braun alleged that the Defendant's product, Terumo Surshield Surflo II, had infringed its Malaysian patent MY-136823-A. In defense, Terumo called into question the validity of B. Braun's patent.

B. Braun's Malaysian Patent MY-136823-A is a divisional of Malaysian Patent MY-126024-A and was accorded the filing date of the parent patent. Terumo alleged that the granted patent should not have been accorded divisional status and hence, cannot benefit from the earlier filing date of the parent patent as its content extended beyond the original disclosure of the parent patent. This was premised on the fact that the specification of the parent patent did

not support recitation of one particular feature of the needle guard in Claim 1 of B. Braun's granted patent.

If the claimed 2000 parent filing date of the B. Braun patent was invalid, then the 2004 divisional filing date would be the time bar by which novelty is judged, thus rendering B. Braun's own 1999 PCT publication as novelty defeating.

The Judge, Justice Dato' Azahar Mohamed (now sitting at the Court of Appeal) found that there was sufficient basis in the original specification of the parent patent to support recitation of the needle guard feature in Claim 1 and upheld the earlier filing date and divisional status of B. Braun's patent.

His affirmation on the provisions of Section 26B of the Patents Act sets an important legal precedent. For some years, there has been a tendency for objections to be raised against divisional applications that do not relate to non-unity issues i.e. an interpretation that Section 26B provides for the filing of divisional applications only if the parent application comprises more than one invention.

Ultimately, B. Braun's patent was declared to be valid and subsisting, setting the stage for the infringement arguments to follow. Upon conclusion of technical submissions, the Judge came to the opinion that three essential features

of Claim 1 were missing from the Terumo catheter, namely, the resilient arms of the needle guard, the rear wall of the needle guard from which the arms extend and an increased diameter segment in the needle shaft.

As has been the trend in recent patent disputes, the testimony of expert witnesses played an important role in the decision on infringement.

With regards to the "resilient arms" feature, the Judge found evidence given by the fourth defense witness (DW4) to be "meticulous and plausible" and accepted contention that arm T3 of the Terumo catheter was a rigid component and not at all resilient. The Judge observed that DW4's testimony was "compelling and there is certainty in his demeanor" even under strenuous cross-examination. On the other hand, he was "quite unable to accept" and was not at all persuaded by the plaintiff's attempts to contradict evidence provided by DW4 via their own expert witnesses. The Judge went on to decide that the Terumo catheter did not infringe B.Braun's valid patent.

To conclude, it can be seen that Malaysia's local case law is growing steadily as more local patent cases are being litigated of late. This development and the upcoming deluge of IP law reforms expected in the year 2012 is surely an encouraging indicator of increasing maturity in Malaysia's IP industry.

# Nutella® VS Nutello



chain of coffee shops in Singapore, owned by Sarika Connoisseur Cafe Pte Ltd offered a "Nutello" drink on its menu. In a case before the Singapore High Court, Ferrero SpA, the plaintiff and proprietor of Nutella® claimed, inter alia, trademark infringement against Sarika Connoisseur Cafe Pte Ltd.

The Nutella® brand was registered in 1973 in Class 30 as a word mark. The defendant, Sarika Connoisseur Cafe Pte Ltd started selling a coffee beverage called "Nutello" in 2007. The "Nutello" name was used in various promotional materials of the defendant including their drinks gallery menu and website. The beverage was described as "Nutello - Espresso with lashings of nutella - perfect for cocoa lovers!"

The plaintiff had alleged infringement of their Nutella® word mark in Class 30 under Section 27(2)(b) of the Singapore Trademarks Act. The Court had to examine the three elements of infringement under Section 27(2)(b) namely, similarity of marks, similarity of goods and likelihood of confusion in deciding on infringement.

In deciding the issue of similarity of marks, the Court relied on the approach laid down in Ozone Community Corp. [2010] 2 SLR 459 namely: 1) whether there was visual, aural and conceptual similarity between "Nutello" and Nutella®; and 2) whether Nutella® was distinctive

The Court reiterated the principle that there was no legal requirement for all three aspects of similarity to be established before a finding of similarity can be made out or to deduce similarity based on existence of only one type of similarity.

As Nutella® and "Nutello" both consisted of seven letters of the alphabet with the first six being identical, the Court decided that the difference in the seventh letter (that is, "a" and "o") was not sufficient to make them visually dissimilar.

With respect to aural similarity, the Court noted that the first two syllables of the words Nutella® and "Nutello" will be pronounced the same way by an average consumer in Singapore. Thus both are aurally similar

On the issue of conceptual similarity, the Court relied on Festina Lotus SA [2010] 4 SLR 552 where the "Festina/Jestina" comparison was found to closely resemble the present "Nutella/Nutello" comparison. The Court in finding "Nutella/Nutello" to be conceptually similar said that visual, aural and conceptual aspects of similarity must be considered in the light of "imperfect recollection" of an average consumer who does not juxtapose the two words/marks side by side.

In considering distinctiveness of the registered mark which is also important in determining similarity of marks; the Court held that the word "Nutella" was an invented word with no dictionary meaning and was inherently distinctive. The mere change of the letter 'a' in "Nutella" to 'o' in "Nutello" did not amount to a modification of at least a substantial degree so as render "Nutello" dissimilar to "Nutella".

To determine if the goods are similar, the Court noted that the principles laid down by Jacob J. in British Sugar plc [1996] RPC 281 may not be that relevant in a situation like the present where products of the registered proprietor and the alleged infringer fall within the same class of products. The Court found that the "Nutello" drink is similar to "chocolate products" specification of the Nutella® work mark in Class 30 as the former fell within the possible range of chocolates products.

On the issue of likelihood of confusion, the Court considered market surveys of both parties and said the results were not conclusive of the issue of confusion as they may not constitute spontaneous reaction of members of the public. The Court noted that although the surveys did contain leading questions, on a balance of probabilities, there was insubstantial number" respondents in the surveys who were confused into thinking that "Nutella" produced "Nutello". Thus the Court ruled that the Nutella® registered word mark had been infringed under Section 27(2)(b) of the Singapore Trademarks Act. 8

Geographical Indications

The New, Big Cheese

eographical indications (GIs) are applied to goods to designate their place of origin; whereby a given quality, reputation or characteristics are attributable to such geographical origin. Malaysia has been protecting Gls since the Geographical Indications Act 2000 came into force on 15 August 2001; with the first GI application filed in 2003. As at September 2011, a total of 33 applications (28 Malaysian GIs and 5 foreign Gls) have been filed and 19 (15 Malaysian and 4 foreign) registered. These include Sabah Tea, Tenom Coffee, Sarawak Pepper, Bario Rice, Tambunan Ginger, Pisco, Scotch Whisky, Cognac and Parmigiano Reggiano; the latter (a GI for cheese) successfully registered through Henry Goh as the GI agent.

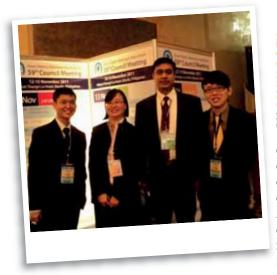
Protection of GIs benefits all stakeholders from the particular geographical area – producers, consumers and the country itself. Through GI registrations, producers have the potential to attain both domestic and international market recognition. Like a valuable trade

mark, a famous GI allows producers to set a premium product price in exchange for quality assurance of its registered products. A GI's benefits ripple across the production chain – from the manufacturers and suppliers, right down to the farmers and raw material providers. Studies

have shown that the average price difference between cheeses, with and without designation of origin, is about 30% and up to a whopping 230% for wines. Since only producers who adhere to strict quality standards can use a particular GI, consumers enjoy peace of mind when buying products from a particular source. A strong GI directly promotes its country or place of origin, boosting the economy and enhancing reputation. Tourists flock to Scotland to visit Scotch Whisky distilleries, France, specifically the Champagne region for their famed beverages and Switzerland to witness watch craftsmen at work.

It is heartening to see the number of GIs being protected under our relatively young GI regime is on a

slow but steady rise. But we at Henry Goh confidently believe that Malaysia, being a country with vast traditional knowledge and ample resources, has untapped potential GIs of more than the mere 28 filed thus Intellectual **Property** Corporation of Malaysia (MyIPO) had previously identified potential GIs that we as a nation can explore and ultimately exploit. These include Tawau Cocoa, Babagon Pineapple, Pua Kumbu (cloth), Tembaga Ladang (handicraft), Sempalit Nuts, Kedah Rice and many others. We encourage Malaysian food, handicraft, agricultural and mineral producers to open their eyes to the new possibilities of GI protection. 8



#### APAA 2011 | Manila, Philippines

trategically located at the heart of Manila is the Makati Central Business District, Philippines' financial capital and this year's chosen venue for the annual Asian Patent Attorneys Association (APAA). The energetic cosmopolitan Makati opens up endless prospects to its foreign guests who convened to attend the conference from 12 - 15 November 2011. Henry Goh sent a contingent consisting of our Director of Singapore office, Mr Ameen Kalani; Business Development Manager, Ms

Oon Yen Yen; Legal Counsel, Mr Lim Eng Leong and Patent Agent, Mr Alvin Boey. The four-day conference provided them with a memorable experience to renew ties with long-standing associates and also forge new relationships with other international associates. There was a common consensus amongst the participants that IP in Asia will continue to grow stronger and stay relevant in years to come despite the challenging global economic climate.

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## Aloha! Hele mei hoohiwahiwa!

News @

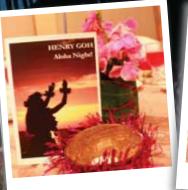


Issue # 3, December 2011

And celebrate they did... despite the wet gloomy weather in Kuala Lumpur, the people of Henry Goh were transported to a lush paradise filled with sunshine and palm trees at the Prince Hotel when they attended the Henry Goh Aloha Night 2011 on Saturday, 19 November 2011.









Hawaiian wave!

Everyone came in their tropical best, with colourful shirts, skirts and shorts, slippers and sandals complete with orchid garlands, symbols of all things Hawaiian. Even the tables were given names of the various islands such as O'ahu, Lana'i, Ni'ihau, Moloka'i and Maui.

The luau was evident with the staff being treated to a delicious buffet array of grilled food and delectable desserts. The atmosphere was heightened with exciting games galore such as 'Mea Makame' (Treasure Hunt), 'Moku Hula' and a Tacky Relay which had everyone in stitches once all the 'models' were dressed up in coconut bras, grass skirts, leis and hats. More fun came in the guise of lucky draws and the MC of the night had each staff come up to the stage and announced how happy they were to receive whatever prize they drew. A group table cheer competition brewed loud guffaws from the crowd as each table presented their entertaining last-minute-put-together inspiring group cheer.





Henry Goh Iron Ladies!



Grand Prize Winner!



Aloha from all of us!

The night was completed with a long service award presentation to the three Iron Ladies of Henry Goh, having served the company for twenty years. Aloha Night was certainly a night to remember and to the evening's committee members, Mahalo Nui Loa!

### Free meal on Saturdays

Henry Goh adjourned from the office to the kitchen when we participated in SIC-PIHDM's (Parish Integral Human Development Ministry – a non-profit organization) free meal programme on 8 October 2011. The aim is to provide at least one decent meal a day to people who do not have sufficient daily food.

The Henry Goh team contributed the funds and rolled up their sleeves to help with preparing the ingredients, cooking and sending the food to the Putra Damai Community Hall. Once there, we served over 90 people, mostly children. They truly enjoyed the simple yet delicious meal and many came for second and third helpings. We completed our last task of the day by washing up the crockery and utensils at the centre.

It was indeed wonderful to spend a meaningful Saturday morning to give back to the community. We would like to thank SIC-PIHDM for the opportunity and privilege to be of service.

Queuing for a meal





One loaf a family



Young boys enjoying the simple meal





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Chui Lee with a 'golden girl' Sanda giving a hug!

## HG visits the Golden Girls of Jubilee Home

As part of the Henry Goh's annual corporate social responsibility projects, a team of 20 staff visited the Selangor King George V Silver Jubilee Home on 5 November 2011. Established since 1937, the home has a long history of caring for many poor and homeless women in their golden years. The home currently has 29 residents, aged 69 to 96. Silver Jubilee Home is situated in a basic but lush

The People of Henry Goh contributed groceries and monetary gifts. At the home, we spent quality time chatting with the old ladies and listening to their interesting stories from yonder. The senior ladies were also entertained by our talented staff who danced and sang. A scrumptious buffet lunch was served before presenting the residents with goodie bags and ang pows. Our Managing Director presented a cheque to the home as an encouragement to the home's management to continue their caring efforts. More than any material contribution, the golden girls of Jubilee Home valued the time we spent with them; as evident from the toothless but genuine beautiful smiles on their



Karen and Rajes sharing a joke





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