



Imminent changes to the Malaysian IP landscape

BY AZLINA A KHALID Intellectual Property (IP) is now recognized as one of the major driving forces of the world economy. Many successful global companies leverage on their IP portfolio to command an edge ahead of their competitors. IP is thus considered a key business asset, capable of being monetized and securitized, providing its owners with an additional or alternative basis for increasing their equity.

Malaysia has recently unveiled a national agenda in pushing innovation and creativity as a driver for the country's growth into a knowledge based economy. This is reflected in last year's budget where an allocation of almost RM220 million was set aside to develop a system to encourage and facilitate IP valuation and financing.

Amendments to the various Malaysian IP Laws have included provisions to recognize IP rights as personal property, one of which is in Section 29 of the recently enforced Industrial Designs Act. Similar provisions have been proposed in the forthcoming

amendments to the Malaysian Patents and Trade Marks Act.

Be that as it may, the path envisaged may be fraught with challenges. Essentially, IP is an intangible asset. Currently there is no acceptable IP valuation framework for local financial institutions to adopt in view of the prevailing difficulties in ascribing a value to assets of this nature.

In cognizance of the same, the Malaysian IP Valuation Model was launched at the opening of the Global Intellectual Property Valuation Conference (GIPVC) held recently in Kuala Lumpur on 6-7 November 2013. The said model will provide much needed guidelines for various stakeholders and key players to implement and ensure the success of monetizing and securitizing intellectual property rights.

Additionally, the Malaysian IP Office (MyIPO) has been tasked with training a pool of local talents and it has to date conducted three IP valuation courses which include comprehensive modules ranging from introduction of IP rights to methods of valuation, drafting practical valuation reports as well as IP negotiation and IP management. From the Government side, the Valuation and Property Services Department was established for the same purpose and collaborates with MyIPO.

It is hoped that all these efforts from various sectors will bear fruit and provide the right momentum in moving the Malaysian IP landscape to greater heights in the near future. 🙏



*A gift of joy and peace
to all the world.
Warmest wishes
from all of us for
a Blessed Christmas
and a Happy New Year.*

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Scams Aplenty Do not be fooled!

and applicants may be easily hoodwinked into believing that they are actually paying to list their registrations in an official IP database.

WIPO and various major IP offices have been aggressively combating these scams. WIPO felt that it was necessary to put together a warning page (http://www.wipo.int/pct/en/warning/pct_warning.html) on their website when they started receiving numerous questions and complaints from PCT applicants regarding these notices on whether such notices were related to the processing of their International patent application. WIPO has also indicated to applicants to check the warning page if they receive any of such notices to ascertain if it matches any of the examples published online or, if still unsure, a copy can be faxed or emailed to WIPO and an official response will be given. Most at risk are individual inventors and/or small entities that are navigating the patent system on their own with minimal or no assistance from an IP professional.

At the outset, WIPO does not charge any official fee to publish patent applications in their database. This service is already included in the international filing fee paid at the time of filing the PCT application. Data on published PCT applications are readily available on WIPO's website and easily searchable, free of charge.

Furthermore, applicants will only ever receive invitations to correct or pay missing fees in relation to their PCT application from the receiving office i.e. national/regional IP office or from WIPO itself, not from any other entity.

For trade mark owners, another scam that is increasing in frequency are emails from a domain name registrar or IT consulting firm that purports to notify an owner that another entity is attempting to register the owner's trade mark as a domain name in China, Hong Kong or Taiwan. Emails originating from other countries are also increasing in frequency. The notice usually gives the trade mark owner a brief period to acquire the domain name through the firm. In general, in such events of nefarious registrations by a third party, there are official channels available for addressing such issues.

WIPO in partnership with national IP offices and government agencies are actively making efforts in combating such scams. These include maintaining their warning web page and notifying applicants through the PCT newsletter of any new instances of scams posted on the warning page. Letters were sent to IP agents asking for assistance in warning applicants of such notices as well as letters sent to banks providing services to these fraudulent entities warning them of the activities of their clients. In some instances, civil action was taken e.g. State of Florida, Office of the Attorney General v. Federated Institute for Patent and Trademark Registry (FIPTR) and Bernd Taubert. It was found that in the two years of operations, FIPTR received over USD 2.5 million in payments from PCT applicants just in the state of Florida alone.

In the event that you receive a notice asking for payment from an unknown entity, we recommend that you verify with your IP professional prior to making any payments. 🙏

BY CHEW QI-GUANG

Dear client, we offer to list your International patent application in our International Patent Database upon payment of a fee that is to be renewed annually.

This is the typical statement when one reads the notice. They usually appear to look like invoices complete with the applicant's/owner's name, address, details of the patent/trademark and a "registration fee". These "service providers" bear names like World Bureau for Intellectual Property, International Patent and Trademark Services, Central Patent and Trademark Database etc. which is clearly meant to mislead applicants and owners of IP registrations into believing that these notices are affiliated with the International Bureau of the World Intellectual Property Organization (WIPO) or any other IP office.

WIPO and numerous other IP offices have issued warnings on their websites, cautioning applicants and IP owners how to recognise fraudulent and unsolicited IP protection, promotional and/or advertising services. Often times, these notices are sent directly to the applicant/owner instead of the IP agent. Ever since Malaysia became a member country of the PCT in August 2006, local inventors and applicants have also begun receiving such notices. Having less exposure to IP matters, local inventors

SME Summit "Empowering Businesses"

As part of Henry Goh's continuous efforts to promote intellectual property (IP) awareness among the Malaysian public and business community, we participated in the SME Solutions Expo 2013, one of Southeast Asia's largest trade expo for small-medium enterprises. The theme for this year's expo was "Empowering Businesses". Our team

of knowledgeable and professional IP Specialists was there throughout the 3-day event, ready to help with any trade mark, patent, design and copyright questions or concerns. We were able to share with the local business community the latest news and developments in the IP arena that would have an impact on their businesses." 🙏



BY LIM ENG LEONG

Snapshots - A Year in Malaysian IP

BY LIM ENG LEONG



APAA in Hanoi

At the heart of Vietnam's second largest city, Hanoi was the chosen venue for the annual Asian Patent Attorneys Association (APAA). Both charming and full of history, Hanoi opened up endless possibilities to all of its 1,200 guests who convened in the city from 19-22 November 2013. The blend of the city's rich and complex history together with its rapid development provided an interesting backdrop for the gathering of attorneys and associates from all over the world. Henry Goh was privileged to join this conference represented by the attendance of our Singapore Director, Mr. Ameen Kalani, Design Manager, Mr. Jason Cheah and our Patent Agent, Mr. Alvin Boey. The 4-day conference provided a memorable experience to renew ties with our longstanding associates and forging new ties with new associates from all around the world. The attendees from various countries have come to a general agreement that IP in Asia has grown stronger despite the challenging economic climate. This trend, many believe will continue in the years to come. 🐝

Patent

Pfizer Ireland Pharmaceuticals v Ranbaxy (Malaysia) Sdn Bhd

The appellate court maintained the High Court's stand that Pfizer should not be allowed to advantageously amend their patent claim (relating to the use of sildenafil for VIAGRA) shortly before the commencement of trial as it would unjustly change the character of the legal proceedings and pre-empt the respondent's right to be heard for its invalidation claim against the appellant; which could not be compensated with costs. The appellant is not prejudiced as they have an opportunity to defend the validity of their patent during trial proper.

Trade Mark & Passing-Off

Amstell Mills Sdn Bhd v Lifomax Woodbuild Sdn Bhd

The defendant supplied steel bars of inferior quality that bear mill-test certificates and product tags of the plaintiff, causing confused customers to complain to the plaintiff. Of interest from the case was the High Court's decision that a finding of 'no further action' (NFA) by the police in an earlier criminal report does not automatically equate to no wrong-doing in civil law or no misrepresentation amounting to passing-off, especially when the evidence proved otherwise. Passing-off was found and an injunction against the defendant from selling inferior steel bars was granted.

DeGem Bhd v De Gem Goldsmith & Jewellery Sdn Bhd & Ors.

The plaintiff contended that the defendants sought to expand their business country-wide by riding on the former's reputation in the mark 'DeGem'. In comparing the parties' positions, the High Court found the plaintiff possessed nationwide goodwill for 'DeGem' but the defendants' goodwill was limited to state-level at best. Instead of an outright prohibition to use 'DeGem', a permanent injunction was ordered to confine the defendant's business to the Johor state.



Industrial Design

F&N Dairies (M) Sdn Bhd v Tropicana Products, Inc.

In defending against design infringement, the appellant claimed that the respondent's bottle design was not novel and was dictated solely by function. The Court of Appeal agreed that although the bottle design has eye appeal, the features of shape and configuration were designed to fulfill functional means. While the actual article embodying the design may also be looked at to assist the process of comparison, the Court held that it is the drawings of the registered design that must be taken into account.

Copyright & Breach of Confidence

The New Straits Times Press (M) Bhd & Anor v Admal Sdn Bhd

The Court of Appeal decided that Admal's spelling-bee concept was neither original nor entitled to copyright protection as it was a mere compilation of competition information that has been available for a long time. Since such a concept is commonplace, there is no necessary quality of confidence that requires protection by law. Although the intended joint-venture between the parties fell through, NST's contribution and modification to Admal's initial idea have transformed the end-product into their own 'RHB-NST Spell-It-Right' show.



Pendakwa Raya v Chan Chun Tat

Section 42(1), Copyright Act 1987 provides that an affidavit asserting copyright ownership shall be admissible in Court as prima facie evidence of the facts contained therein. The High Court interpreted this as a no-necessity to call the deponent to witness the contents of the affidavit (an exception to the Evidence Act 1950). Otherwise, this would surely be contrary to Parliament's legislative intention for this subsection. It is sufficient that a written authorization from the copyright owner is produced in court to show the deponent's capacity. 🐝



Ahoy Mateys!

On 28 September 2013, the Pirates of Henry Goh proudly sailed the seven seas in 6 majestic ships – Sea Crusader, Espada y Rosa, Raider of the Deep Seas, Evil Queen of the Ocean, Pride of Poseidon and Flying Dustpan; before marooning on Doubletree by Hilton to celebrate its annual company dinner. A feast fit for a pirate king was laid out on deck and the hungry pirates enjoyed the great grub while catching up on seafarers' tales. The evening festivities were livened up with various games – including a scavenger hunt, unlocking a treasure chest with random keys and the best pirate flag contest. Sea Crusader won the most swag that night. Aye! The pirate looting continued with a few rounds of lucky draws and the best was a bountiful cash prize.



Working For Mother Earth

Going green starts with being educated on the earth's environmental issues and how to reduce, reuse and recycle. On a lovely Sunday morning in December, twenty staff from Henry Goh joined the Tzu Chi Foundation Malaysia at one of their recycling centres. Environmental protection is one of the missions actively promoted by Tzu Chi Foundation Malaysia with the aim of educating the public so that people become more aware of environmental changes and the need to protect it. After an educational video presentation and briefing, the People of Henry Goh immediately put hands to work. The community project was an educational and fruitful session which ended with a monetary contribution towards Tzu Chi Foundation Malaysia's charity work and their relief efforts for the victims of Typhoon Haiyan in the Philippines.



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