

## Your Registered Trade Mark Might Be At Risk!

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Trade mark registration is important to protect your brand from being misused by a third party. Once a mark has been registered with the Intellectual Property Corporation of Malaysia (MyIPO), the registered proprietor of the mark will be granted various rights and remedies as provided under the Trade Mark Acts 1976 ("Act").

However, a registration can actually be challenged and even removed from the register. There are a few situations where a registered mark may be expunged or removed from the register but this article will be focussing on removal of registered trade mark based on non-use of a mark.

Non-use removal in Malaysia is basically when a registered trade mark may be removed by the Court based on the ground that the mark was registered without an intention in good faith, to use it in relation to those goods / services and that there has in fact been no use in good faith of the trade mark (section 46(1)(a)) OR there has been no use in good faith of the trade mark for a continuous period of at least three years lasting up to one month before the date of the application for removal (section 46(1)(b)).

It is a well-established rule that for a mark to be registered, it must either have been in use at the time of the application for registration or is proposed to be used in relation to the goods or services applied for. Section 3 of the Act defines "trade mark" as a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services and a person. The 'use' requirement is important because it is through the continuous use of a trade mark in the course of trade that it is able to perform its primary function of acting as a source identifier. That being said, MyIPO will not generally inquire into the 'use' requirement of a mark at the time of application for registration.


While you may be able to obtain registration without the need to actually prove use of the mark or the bona fide intention to use the mark at some future time, it must be noted that the registered mark may still be removed by the Court later on application by an aggrieved person.


Removal of a registered mark based on non-use is a double-edged sword where it can be used to attack trade marks that are registered by unscrupulous trade mark squatters attempting to gain monetary benefit, often by selling the registered mark to the true owner of the mark. On the one hand, it may be used by third parties to remove your registered mark if it has not been used in good faith for a continuous period of three years; especially in a counter-claim to a trade mark infringement action.

It appears that use in 'good faith' (stated in section 46(1)) would mean 'bona fide use' and 'genuine use'. According to the court in **Electrolux Ltd v Electrix Ltd [1953] 71 RPC 23**, there is 'genuine use' of a trade mark if the mark is put to real commercial use on a substantial scale. Obviously, such use cannot just be minimal use intended to circumvent the provisions.

For the ordinary business people, the relevant question would then be how to prevent your registered mark from being removed based on non-use? The obvious answer is to use the mark. However, registered proprietors may not always want to use it immediately or may not even wish to use it for a particular Class of goods/services for various reasons. One situation would be the registered proprietor plans to license the use of the mark to another party. Section 48(5) of the Act expressly provides that where a person has been registered as a registered user (licensee) of a trade mark, the use of that trade mark by the registered user shall be deemed to be use by the registered proprietor. Further, it was held that in **McLaren International Ltd v Lim Yat Meen [2007] 7 MLJ 581** that the use of the trade mark by a licensee, even if the licensee is not registered as a registered user, could be treated as use of the trade mark by his agent and accordingly, attributed to the registered proprietor.

What if a registered proprietor altered his registered mark and has been using the altered version which is different from the registration? Will such use constitute use of the registered mark and therefore not be subject to non-use removal? As a rule of thumb, a registered proprietor has to use his mark as filed and registered with the MyIPO. Nevertheless, minor alteration which does not substantially affect the mark's identity shall be accepted as use of the registered mark as can be seen in the case of **Tan Kim Hock Product Centre Sdn Bhd & Anor v Tan KimHock Tong Seng Food Industry Sdn Bhd [2017] 1 MLJ 730**. In that case, the court relied on Section 23(2) of the Act which states that "where under this Act use of a registered trade mark is required to be proved for any purpose, the Court or the Registry may, if and so far as it or he shall think right, accept use of ... the trade mark with additions or alterations not substantially affecting its identity as an

equivalent of such use" and held that the use of the mark  (without the words 'CAP

POKOK KELAPA') does not affect the identity of the registered mark  as the dominant features (i.e. the logo 'T' with red and white coconut tree and the logo 'S') still remain. Hence, this case shows that the use of the altered mark constitutes use of the registered mark and there was no issue on non-use. It is worth noting that under some special circumstances such as import restriction, saturation of the goods in the marketplace, and not due to any intention not to use or abandon the trade mark, section 46(4) provides that the trade mark cannot be removed on the ground of non-use under section 46(1)(b).

As a summary, if a trade mark has not been used for some time, it runs the risk that it no longer performs its primary function of denoting the origin of goods or services and will be vulnerable to attack. Therefore, use of a mark is crucial in maintaining your registered mark.