

## **Trademarks in Malaysia – What You Need to Know about Provisional Refusal**

By Shee Shu Wen

In today's business world, trademarks play an important role in distinguishing one's goods and services in the marketplace, fostering brand recognition and securing intellectual property rights. However, obtaining a trademark registration can be challenging and may not always be a straightforward process. In the intricate world of trademark law, one encounters various hurdles on the path to securing exclusive rights over a mark. One such hurdle is the Provisional Refusal, a crucial stage in the trademark registration process.

In this article, we will explore the concept of Provisional Refusal, tips to prevent the Refusal and strategies to overcome it.

### **Concept of Provisional Refusal**

A Provisional Refusal occurs when a trademark application is initially rejected by the examining authority (Registry), citing specific grounds for refusal. This refusal acts as a temporary barrier to registration, pending resolution of the issues raised by the Registry.

Section 29 of Malaysian Trademarks Act 2019 indicates that:

*(1) The Registrar shall examine whether an application for registration of trademark fulfils the requirements for registration under the Act.*

*(2) For the purpose of an examination under subsection (1) above, the Registrar shall carry out a search, to such extent as he considers necessary, of earlier trademarks.*

The common grounds cited by the Registrar to refuse a trademark application are Absolute Grounds for Refusal and Relative Grounds for Refusal.

Absolute grounds refer to the criteria that are solely based on the characteristics of the trademark itself, without considering external factors such as similarity to existing marks. The absolute grounds include but are not limited to:

- i. Signs which are devoid of distinctiveness. For example, a mark that is deemed too generic.
- ii. Trademarks which consist of descriptive terms. This would refer to marks that describe the characteristics, quality, quantity, purpose, value, function or geographical origin of the goods or services claimed.
- iii. Trademarks which consist exclusively of signs or indications which have become customary in trade.
- iv. Trademarks consisting exclusively of the name of a country or recognized geographical indications.
- v. Trademarks that falsely suggest a connection with a specific geographical location or mislead consumers about the origin of goods or services.

vi. Trademarks that are contrary to public interest or to morality.

As for relative grounds, it refers to the criteria used to determine whether a trademark application can be rejected based on its similarity to existing trademarks or earlier rights that may cause confusion among consumers. These grounds include but are not limited to:

i. A trademark which is identical with an earlier trademark and is to be registered for goods or services similar to the earlier trademark.

ii. A trademark which is similar to an earlier trademark and is to be registered for goods or services identical with or similar to the earlier trademark.

iii. A trademark which is identical with or similar to a well-known trademark and it is to be registered for the identical goods or services of the well-known trademark.

iv. A trademark which is identical with or similar to a well-known trademark and it is to be registered for goods or services which are not identical or not similar to the well-known trademark.

Once an application encounters any form of Refusals, be it absolute grounds or relative grounds, the whole registration process will be prolonged.

### **Tips to Prevent Provisional Refusal**

Preventing Provisional Refusal would therefore be essential in trademark registration to ensure your trademark is legally protected without facing legal hurdles. Here are some tips you can take to minimize the risk of refusals to your trademark application:

#### **1. Conduct a preliminary Trademark Availability Search**

Before starting an application process, the first and foremost step is to conduct a trademark availability search to determine if your trademark is already in use or registered by another party. The examiner is likely to refuse applications for deceptively similar marks, as this could lead to confusion among consumers or the public.

By conducting a search, you would have an idea of the availability of your trademark when compared with existing marks. This may help to ensure that your trademark is distinct and does not infringe on existing trademarks. A proper trademark search may then reduce the risk of receiving a Provisional Refusal based on Relative Grounds.

#### **2. Avoid descriptive or common words**

Avoiding common or generic words within your industry in your trademark is important to create a strong trademark and to prevent a Provisional Refusal. Marks that are purely descriptive of the goods or services they represent are often refused by the Registry, making it challenging to enforce trademark rights. For example, a trademark used for restaurant services with terms such as 'delicious', 'gourmet', 'food' is likely to be refused. This is because these common and descriptive terms are commonly used to describe the services offered by a restaurant and therefore lack the distinctiveness required for trademark protection.

The Registry is usually reluctant to accept applications that try to monopolize common language, as these words should remain available for all to use descriptively in the industry. Therefore, opt for terms that are arbitrary, suggestive, or coined, as these are more likely to be distinctive. An example of such a trademark is 'Apple' for computers and electronic devices. This term is inherently unique and has no direct association with the goods or services they represent, making it a strong trademark.

### 3. Avoid geographical names

It is advisable to exclude geographical names from the trademark because they may be considered descriptive or lacking distinctiveness too. The Registry is usually reluctant to allow any party to monopolize a recognized geographical name for a trademark registration.

In addition, geographical names typically describe the origin of goods or services and it may denote that the goods and services claimed originate from that particular country or region. Do note that marks that falsely suggest a connection with a specific geographical location or mislead consumers about the origin of goods or services may be refused.

### 4. Distinctiveness

When selecting a trademark, aim for distinctiveness. Distinct trademarks are inherently unique and less likely to be confused with existing trademarks. They stand out in the marketplace, making it easier for consumers to identify and differentiate your brand from others. Marks that are generic or merely descriptive of a characteristic of the goods or services may face a Provisional Refusal.

Consider inventing a new word or combining words that are less likely to have prior associations within your industry to achieve a higher level of inherent distinctiveness. This would be one of the most effective strategies to avoid a Provisional Refusal, provided it does not inadvertently resemble any existing registered trademarks. Distinctiveness not only helps in avoiding legal hurdles but also strengthens your brand's identity in the marketplace.

### 5. Expert Guidance

Trademark professionals have expertise in trademark law and procedures. Consulting a trademark professional when filing a trademark application would therefore be beneficial. Trademark professionals can provide valuable guidance on any trademark matters, including the registrability of your mark, advice on selecting a strong trademark, potential obstacles or objections and navigating the application process effectively.

With all the professional opinion, you would ensure that your application meets all legal requirements and reduce the risk of receiving a Provisional Refusal.

## Strategies to Overcome a Provisional Refusal

Despite the abovementioned guidance, what should you do next if your trademark application is unfortunately refused by the Registry? Although trademark refusals may introduce challenges and delays and are a common hurdle on the path to securing exclusive rights over your mark, do not freak out as they can be effectively addressed with the right strategies and expert guidance.

It is important to note a Provisional Refusal is not a final decision. You as the Applicant will be given an opportunity to respond to the Registry's concerns, provide arguments or evidence to overcome the objections and to convince the Registry to allow the registration of your trademark. The response to a Provisional Refusal requires careful consideration and strategies. By understanding the grounds of objection and addressing the objections effectively, you can increase the chances of overcoming the Provisional Refusal and obtaining trademark protection successfully.

Here are some guidance and strategies that you may wish to know when you receive a Provisional Refusal:

Firstly, carefully review the Refusal and confirm the deadline set by the Registry. The Registry would usually give a two-month deadline to file a response to the Refusal and it is extendable for a period not exceeding six months. If more time is required, always apply for an extension of time to keep your application pending. Otherwise, your application will be deemed abandoned should no response be filed by the stipulated deadline.

Secondly, address the Grounds for Refusal raised. You should review and determine the specific grounds for refusal cited by the Registry. Knowing and understanding the grounds of refusal would help you to make a wise decision on how to respond to the Refusal raised.

Unlike the procedure under the repealed Trademarks Act 1976, the Applicant is now given only one opportunity to argue against the Provisional Refusal with the Registry under the Trademarks Act 2019. If Refusals are maintained and a Total Provisional Refusal is issued by the Registry, an appeal to the High Court (if intended) is required. Therefore, it is highly advisable to carefully strategize the arguments against the Refusal.

In response to the provisional refusal, an Appeal may be filed based on one of the following options, under Regulation 17(1) of the Trademark Regulations 2019:

- i. To request for an ex-parte Hearing.

After a Hearing request is filed, an ex-parte Hearing date will be scheduled later, at a time and date based on the Registrar's discretion. Written and oral submission and/or evidence of use in the form of a Statutory Declaration will be submitted at the Hearing itself.

A Hearing provides the best chance to submit fully, engage with the examiner and answer any questions that the examiner might have. However, the downside of this option is that it may take a longer time for the Registry to fix a Hearing date and to issue a Hearing decision thereafter.

ii. To file a written submission only.

This option would be more advantageous in terms of timing because the response or arguments will be filed directly by the stipulated deadline, without having to wait for a Hearing date. However, it will also take 12 months (at least) from the date of written submission for the Registry to issue a decision. The disadvantage of this option is that you do not have the opportunity of engaging with the examiner directly. The examiner will read the arguments submitted on their own accord.

iii. To support your arguments by submitting evidence of use of your trademark.

It is always important to note that use evidence showing continuous and substantial use of your trademark in Malaysia in relation to the goods or services claimed would be useful in demonstrating factual distinctiveness of your trademark. Providing clear evidence of when and how your trademark is being used in trade would be crucial. This could include samples of packaging, advertising materials, social media presence, invoices issued to your customers etc.

The evidence of use must be submitted in the form of a Statutory Declaration.

## **Conclusion**

In summary, Provisional Refusal poses a significant challenge to trademark Applicants, requiring strategic responses and perseverance to overcome. By understanding the common grounds for refusal and implementing effective strategies, you can navigate this obstacle and ultimately secure valuable trademark rights for your mark.

It is therefore highly advisable to seek assistance from a competent Trademark Agent who has been legally trained in the trademark registration process. Although engaging a Trademark Agent does not guarantee the successful registration of a trademark, a Trademark Agent who is familiar with Malaysian trademark law can provide expert guidance to advise the dos and don'ts in preparing your appeal, considering you only have one opportunity in arguing against the provisional refusal before the Registrar under the Trademarks Act 2019.