

Procedural Changes under the Malaysian Trademarks Act 2019

By Azlina A Khalid

Since our last article in August 2019 on Malaysia's new Trademarks Act 2019 ("the Act") and its subsequent enforcement on 27 December 2019, a lot has happened across the globe. For one, the current COVID 19 pandemic has almost upended our lives and each country around the world is slowly taking control on how best to move forward with life's new norms.

Ahead of the Act's first anniversary, this article will touch on some of the salient procedural changes at the Malaysian IP Office ("MyIPO") following the new legal framework.

The first which is of interest is Section 22 of the Act that mentions about the date of filing. This new section was inserted to state that the date of filing accorded to new applications shall be made in line with Section 17 of the Act. In instances where the requirements under the said section 17 are fulfilled on different days, the Registrar shall record as the date of filing, the last day of those days. Subsection (3) of Section 22 further clarifies that any priority claims shall have no effect on the date of filing of application except for the purposes of the search and examination procedure.

To give a better idea of what Section 17 is all about, subsection (2) of Section 17 provides that where an application for the registration of a trademark is made, it shall be done in the form as determined by the Registrar within the prescribed period and with the payment of the prescribed fees. Subsection (3) then states that where the trademark applied for contains or consists of a word which is not in Roman Characters or the national language or the English language, the Applicant shall within the prescribed period, furnish the Registrar with the following:

- (a) The transliteration of the trademark;
- (b) The translation of the trademark; or
- (c) Any information as determined by the Registrar

Thus, it can be seen that the provision of the transliteration and translation of a trademark represented in foreign characters is essential for establishing the date of filing of the new application. Additionally, failure to provide MyIPO with these documents within a prescribed timeframe as indicated in Subsection (4) means that the application will be deemed withdrawn.

In the event the translation and transliteration documents are provided late, this delay will have an effect on the new application's filing date. An example would be as follows:

Applicant X wishes to file a national application for a trademark with Chinese characters in its representation. The relevant official form with information required for filing the new application and its payment was submitted to MyIPO on 01 October 2020 but without the trademark's translation and transliteration ("TNT") of the Chinese characters involved. The filing of the required TNT was made on 15 October 2020. Under Section 22, the filing date of the new application will be recorded as 15 October **and not** 01 October 2020.

This is a departure from the previous practice under the old Act whereby Applicants had up to twelve months to provide the necessary TNT without any effect on its filing date. This has since changed to a maximum of two months as provided by Regulation 14 of the Trademarks Regulations 2019 and the filing date will only be accorded when all relevant information are submitted with the latest date being stipulated as the said filing date.

Therefore, it is imperative for prospective national Applicants whose trademarks include foreign characters to provide all the necessary information and documentation when filing their application. The inability to make available the TNT at the time of filing has the capacity to prejudice the trademark application's filing date.

The next procedural change that will have a significant influence on Applicants is at the search and examination stage. Under the old Act, when the Examination officer conducts a search and examination of the application, he or she may either accept the trademark or issue an office action letter with registrability or citation objections or both. In such circumstances, the Applicant is allowed to first make written representations to the Registrar arguing against the raised objections. In cases where the written representations are not accepted, the Applicant then has an option to request for a Hearing before the Hearing Officer to further argue on the registrability of their trademark application.

This perceived "second bite at the cherry" has regretfully been nipped in the bud under the auspices of Regulation 17 of the Trademarks Regulations 2019.

Regulation 17 deals with the Applicant's responses during examination:

17(1) Where the Registrar refuses to register a trademark, the Registrar shall issue a provisional refusal in a written notice which shall also contain the grounds for the provisional refusal to which the Applicant may respond –

- (a) By making representations either in writing, or by applying to the Registrar for a Hearing accompanied by payment of the prescribed fee;
- (b) By amending the application to meet the conditions, amendments, modifications or limitations imposed or directed by the Registrar; or
- (c) By furnishing additional or any other information or evidence by way of a statutory declaration or viva voce in lieu of or in addition to the Statutory Declaration.

In essence, Regulation 17 (1) (a) now stipulates that the Applicant only has one chance of furthering its trademark application process when faced with any provisional refusals i.e. either by making a written representation OR they may apply for a Hearing where additional evidence becomes necessary. The effect of this new procedural change means that Applicants must now carefully choose which option they will take as there is only one opportunity to argue against the provisional refusals that have been raised. In the event the application is refused, the Applicant has a right of appeal at the High Court against the Registrar's decision. This necessitates a legal action which in turn increases the costs of registration.

The third procedural change that will also have an impact on the Applicant is in respect of Opposition proceedings. Under Regulation 23(2) of the Trademarks Regulations 2019, any person who intends to oppose a published trademark must file the Notice of Opposition within two months of the publication date with an extension of just two additional months,

whereas under the old Act, an extension of up to six months was permitted. Additionally, MyIPO has introduced a new document being an Affidavit of Service, which must be filed at MyIPO within fourteen days after the Notice of Opposition or the Counter Statement has been sent to the respective parties. The affidavit must contain proof of the date of receipt of the documents by the receiving side. Failure to file these affidavits in a timely manner will result in the withdrawal of the Opposition proceeding for the Opponent, or for the Applicant, the abandonment of their trademark application.

At a glance, whilst it can be commended that this new procedural step will ensure that relevant documents are properly sent and received by the respective parties with none being prejudiced in the event the affidavits are not delivered, the requirement for affidavits of service seems superfluous as they are in essence a document primarily used in court actions. An Opposition proceeding, on the other hand is and remains as an administrative action. Needless to say, the requirement of affidavits of service raises costs for both parties.

To summarize, the abovementioned procedural changes will certainly have ramifications on prospective Applicants as these changes are spread across the entire spectrum of the registration process for a new trademark application, from the filing stage to the prosecution stage and up to opposition proceedings, if any. Although it is too soon to evaluate how they will affect the trademark registration landscape in Malaysia, it is hoped that the positive impact will far outweigh the negative. As the saying goes, time will soon be the judge of it all.