

A Publication of Namazie & Co.

December 2006
MITA (P) 014/09/2006

**Namazie & Co.** is 5 years old this year. The past 5 years have seen the steady recovery of the Asian economy, and a revival of the manufacturing and service sectors in Singapore. The local property and commercial markets are now on an unprecedented upward trend. Economies across Asia have improved. Asia's economic resurgence is accompanied with a heightened awareness that protection of Intellectual Property is critical to the success and strength of the region's economy. China, Japan and India are speculated to be three of the world's biggest economies in the next two decades. Asia is on the ascendant, both as source of IPR, as well as a market for foreign-sourced IPR.

In this issue of **IP COMPASS®**, our focus is on IPR protection in Asia. We hope to offer you an insight of the more significant developments to Asian IPR laws. We have also included an ASEAN Country Reference, which will serve as a quick guide for information on ASEAN member countries' trademark laws.

We have enjoyed compiling this newsletter and hope you find it useful.

Sakolwan Bassi Editor IP Compass

#### **Current Topics**

#### PROTECTING IPR IN ASIA

#### IPR in Asia Pacific - in bound and outbound traffic

Historically, Asia has been the recipient of foreign — generated IPR, rather than a source of IPR. Statistics of Intellectual Property Offices of most Asian countries reflect that a majority of trademark applications and registrations are owned by foreign entities. Recent years though have seen a steady increase in the number of patent and trademark applications filed by local companies. One need only consider some of the more popular and famous Asian-born brands shown on this page to appreciate the changing landscape.

#### **Table of Contents**

**SOUND MARKS** 

PROTECTING IPR IN ASIA PAGE 1
ASEAN AND INTELLECTUAL PROPERTY PAGE 4
CHANGES TO THE SINGAPORE PATENTS ACT
& RULES PAGE 8

PATENTS IN COURT PAGE 10
FIRM ACTIVITES PAGE 11

#### SOME ASIAN BRANDS













**PAGE 12** 

Given that the local market of most Asian countries is relatively small, trademark owners need to sell their products and services outside Asia to ensure profitability. Registration of trademarks for these products and services needs to be attended to regionally, if not internationally. This article is a discussion on some of the issues and concerns which IPR owners face when seeking to protect IPR within Asia.

Protecting IPR in Asia is in many ways a challenge. For one, Asia is an incredibly wide geography, with disparate markets, differing levels of consumer awareness and great differences in economies. The best of brands and the most sophisticated of technologies stand humbled in the face of infringements, of look-a-likes, of drugs posing as generics. The streets of most Asian capitals are malls of fake products. Any visitor to Asia knows that there are shopping centers dedicated to very affordable and tempting counterfeit products. The tourist trail for pirated software, music CDs and "good fakes" are even featured in travel guidebooks of Asian cities.

Yet, officially, every country in Asia has IP laws, with some countries brandishing a comprehensive IP legal system, inspired by Free Trade Agreements and the attendant obligations to legislate better and more stringent IP laws. However, the reality is that the level of protection will not depend on the extent of the statutes but the efficiency and ability of enforcement. That IP laws exist is only one part of the equation. For IP to be protected, the law needs to be enforced. The ability and willingness to enforce depends in turn on both private and public sectors who have a stake in IPR protection.

#### The Asian Landscape

Because Asia is diverse, the approach for IPR protection which you take in a particular country should be designed around the specific legal structures of that country. For example, Singapore enables private prosecution for trademark and copyright infringements, and the process and procedure enables the IPR owner's active participation throughout the enforcement process. Other jurisdictions in Asia, particularly those which require the enforcement to be

conducted largely by government bureaus, allows the IPR owner only a passive role.

The level of brand awareness in each country differs. The ability to reproduce counterfeits is different. In Singapore, activity largely present piracy involves copyright infringements, in the form of fake software and music CDs and unauthorized downloads. Ten to fifteen years ago, the focus was on brand infringement and counterfeit luxury items. These categories are no longer a significant problem in Singapore, as they are, for example, in China and in Thailand. In markets where the appetite for branded goods has grown but the ability to afford them has not, there is a serious on-going problem of infringement of branded goods being manufactured and sold. Often times, a large market sector is the tourist trade, hungry for look-a-likes off the streets, costing no more than a few dollars. infringement, is like many other current problems, an international one which needs to be dealt with globally.

Most Asian countries are members of the major International IP treaties \* and this facilitates international IPR protection in these countries and also ensures an international standard of IPR protection.

#### INTERNATIONAL TREATY PROTECTION IN ASIA

TREATY	COUNTRY
Paris Convention	SG, HK, CN, IN, MY, PH,
	KOR, JP
Berne Convention	SG, HK, CN, IN, MY, PH,
	KOR, JP, TH
Patent Cooperation	SG, CN, IN, JP, KOR, PH,
Treaty (PCT)	VI, MY
Madrid Protocol	SG, CN, KOR, JP, VI

#### Factors which encourage IPR violations

On the ground, however, IPR violations remain prolific. This article examines some of the reasons and factors which make the problem such a resilient one.

#### • Price differentiation

Counterfeits are sold for a fraction of the price of a legitimate product. For a buyer who is not particularly discerning as to quality, the purchase of a counterfeit item is almost compelling. In the



context of software products, where a user does not expect to use the product for more than a few times (before a subsequent version replaces the present one) the advantages of purchasing a counterfeit product would typically outweigh the remote risk of incurring any penalty. Whilst this is less and less the case in an office or corporate environment, where vigilant enforcement efforts of collective bodies such as the Business Software Association makes it increasingly unattractive to be caught out as a user of counterfeit products, the average private user still appears to be undeterred.

#### Easy replication

Modern technology allows for cheap replication. Historically, IPR was intended to foster research and development by affording the IPR owner a period of exclusive manufacture which ensured profitability, and encouraged more R & D. Improved replication technology paradoxically allows pirates to hijack the system. The manufacturers of counterfeit products use replication technology to churn out pirated products cheaply and easily.

#### Public apathy

There is a lack of awareness that IPR violation is as much a crime as conventional means of theft. Government agencies and the private sector recognize the lack of public awareness to be a major factor in the battle against counterfeiting in Asia, and have stepped up efforts of public awareness and education. Such efforts are intended to educate the consumer and to inculcate a culture of IPR awareness and respect.

#### Supply and demand

Ultimately, the problem appears to be one of economics, rather than of culture. Across Asia, there appears to be an unsatiated appetite for counterfeits. The tourists trade contributes significantly to the demand for counterfeit products. There is high demand and a ready supply.

#### **Brand Protection Recognition & Registration**

Brand protection and brand recognition is the best formula for tackling counterfeits in Asia. For a foreign company seeking to protect its brand in Asia, the first step would be to identify your specific Asian markets, and proceed to protect the brand as a trademark. This has to be done on a country by country basis. Most countries in Asia have a registration system and process. Next, a potential applicant should ensure that the selected brand is registrable as is in a particular country. There is also a need to consider if a mark should be localized to suit local branding and linguistic particularities.

There are 2 aspects to checking if a mark is registerable. One, is to determine if it **qualifies as a mark** under the laws of a country. The second is to see if the proposed mark **potentially infringes the earlier rights** of another party, i.e. someone who has filed for the same or a similar mark earlier than the applicant.

Although the overall process of application and registration is fairly straightforward, the initial formalities can be a little complicated, with some countries needing powers of attorney, legalisation and translation documents.

Below is an indication of the overall costs involved in some countries in Asia. Although the individual country costs are not prohibitive, the collective costs of protecting in many Asian countries is onerous.

COUNTRY	COSTS (SGD)
Singapore	2 000
Malaysia	2 000
Indonesia	3 000
Philippines	3 000
Thailand	2 500
Hong Kong	3 500
Taiwan	3 000
China	3 000
India	2 500
Japan	3 500
Korea	3 500



#### **Concluding comments**

Protecting IPR in Asia is an uphill task. The markets in which you are likely to be most secure are the countries which offer good enforcement of IPR, in addition to having the available registration procedures. Because the terrain is diverse and the level of legal sophistication differs, a *one-size-fits-all* policy for Asia is unlikely to work. Having reliable and experienced local legal counsel is invaluable to guide you through the pit-falls and anticipate and pre-empt issues. Putting in place precautionary measures ahead of encountering them can save a lot of money. Having a clear and simple strategy, commensurate with your budget and commercial investments in Asia should be the guiding principle.

Despite all the pitfalls and the odds, IPR is not a new concept in Asia. It is perhaps appropriate to recall the oft-told tale of the Moghul emperor, Shah Jehan, who ordered that the craftsmen who built the Taj Mahal be blinded once the building was completed, for fear that they reproduce the building which was his monument of love. Presumably he was protecting his IPR in the uniqueness of the monument. Thankfully, the laws in Asia have developed somewhat since then to offer more efficient means of IPR protection in Asia.



Farah Namazie farahnamazie@namazie-law.com

### ASEAN AND INTELLECTUAL PROPERTY PLUS ASEAN Country Index



Mrs. Sakolwan Bassi Trademark Manager sbassi@namazie-law.com

The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967 in Bangkok, Thailand. The Member Countries of the Association are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

The ASEAN region has a population of about 500 million, a total area of 4.5 million square kilometers, a combined gross domestic product of almost US\$ 700 billion, and a total trade of about US\$ 850 billion.

Several Members Countries of ASEAN have achieved exceptional economic growth in the past three decades, mainly contributed from natural resources and domestic saving. However, ASEAN has not been perceived as a center of outstanding in Research & Development, and of Science & Technology. Member states are keen to foster an environment of research and development in ASEAN countries, as part of the effort to develop its overall economy. Insufficient intellectual property creativity within ASEAN will cause ASEAN to depend heavily on costly imported technologies.

In its efforts to boost local IPR development, ASEAN member countries have legislated IP laws which are intended to promote innovation, technological improvements and business competitiveness.

In this issue, we present you an ASEAN Country Index which serves as a quick guide to trademark practitioners looking for information on some of ASEAN member countries' trademark regulations.

References: www.aseansec.org / www.ecap-project.org / www.ipos.gov.sg / Trademark Country Index s.m.d. markeur 3<sup>rd</sup> Ed 2006



ASEAN MEMBER COUNTRIES	International Treaties	Introduction and Proceeding of Registration
Brunei Darussalam	WTO / TRIPS WIPO Convention	<ul> <li>Trade Marks Order 1999.</li> <li>ICGS consisting of 42 classes only. (Nice Agreement -7<sup>th</sup> Edition)</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks/ certification marks.</li> <li>Multiple class applications are possible.</li> <li>A power of attorney is not required.</li> <li>The process from application to registration takes approximately 18-48 months.</li> <li>The term of opposition period is 3 months from publication of the tm application.</li> <li>The official application fee is approximately USD170.00 per class.</li> </ul>
Cambodia	WTO / TRIPS WIPO Convention Paris Convention Rome Convention	<ul> <li>Royal Decree on Marks, Trade Names and Acts of Unfair Competition Enacted: December 2001 Ratified: January 2002.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>A separate application has to be filed for each class.</li> <li>A notarized power of attorney is required.</li> <li>The official application fee is approximately USD125.00 per class.</li> </ul>
Indonesia	WTO / TRIPS / PCT WIPO Convention Paris Convention Hague Agreement Berne Convention	<ul> <li>Legal basis is the Trademark Act of August 1<sup>st</sup>, 2001.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks.</li> <li>A separate application has to be filed for each class.</li> <li>A non-legalized power of attorney is required.</li> <li>The process from application to registration takes approximately 18 months.</li> <li>The term of opposition period is 3 months from publication of the tm application.</li> <li>The official application fee is approximately USD60.00 per class.</li> </ul>
Lao PDR	Paris Convention WIPO Convention WTO Observer	<ul> <li>Decree on Trademarks Signed into force: 1995</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>A separate application has to be filed for each class.</li> <li>A notarized power of attorney is required.</li> <li>The official application fee is approximately USD112.00 per class.</li> </ul>
Malaysia	Berne Convention Paris Convention PCT WIPO Convention	<ul> <li>Legal basis is the Trademarks Act of 1976, and its subsidiary legislation is the Trademark Act of 1997. The principles of "common law" apply.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks.</li> <li>A separate application has to be filed for each class.</li> <li>An Appointment of Agent is required.</li> <li>The process from application to registration takes approximately 18-48 months.</li> <li>The official application fee is approximately USD80.00 per class.</li> </ul>
Myanmar		<ul> <li>Registration Act. 9<sup>th</sup> drafting of new IP laws has been completed and will be enacted in near future.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks.</li> <li>Multiple class applications are possible.</li> <li>A legalized power of attorney is required.</li> <li>A notarized declaration of ownership is required.</li> <li>The process from application to registration takes approximately 3 weeks.</li> <li>No opposition practice is available with the Registry Office. In case of oppositions, one can maintain a lawsuit before the court.</li> <li>The official application fee is approximately USD100.00 per class.</li> </ul>



ASEAN MEMBER COUNTRIES	International Treaties	Introduction and Proceeding of Registration
Philippines	WTO / TRIPS / PCT WIPO Convention Paris Convention Berne Convention Rome Convention	<ul> <li>Legal basis is the republican Decree No 166 of June 20<sup>th</sup>, 1947 (last amendment in force since 1<sup>st</sup> January 1998).</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks, and trade names.</li> <li>Multiple class applications are possible.</li> <li>A non-legalized power of attorney is required.</li> <li>The process from application to registration takes approximately 18-24 months.</li> <li>The term of opposition period is 30 days from publication of the tm application.</li> <li>The official application fee is approximately USD30.00 per class.</li> </ul>
Singapore	WTO / TRIPS / PCT WIPO Convention Paris Convention Berne Convention Nice Agreement Madrid Protocol Hague Agreement	<ul> <li>Legal basis is the Trade Marks Act (2005 Revised Ed) Cap.332. The principles of "common law" apply.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks, and certification marks.</li> <li>Multiple class applications are possible. However, separate application processes are conducted and a separate application number for each class is issued.</li> <li>A power of attorney is not required.</li> <li>The process from application to registration takes approximately 6-12 months.</li> <li>The term of opposition period is 2 months from publication of the tm application.</li> <li>The official application fee is approximately USD215.00 per class.</li> </ul>
Thailand	WTO / TRIPS WIPO Convention Berne Convention	<ul> <li>Legal basis is the Trademark Act, last amendment in force since 30<sup>th</sup> June 2000. The principles of "common law" apply.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks, and certification marks.</li> <li>A separate application has to be filed for each class.</li> <li>A notarized power of attorney is required.</li> <li>The process from application to registration takes approximately 12-18 months.</li> <li>The term of opposition period is 3 months from publication of the tm application.</li> <li>The official application fee is approximately USD13.00 per one item of goods.</li> </ul>
Vietnam	Berne Convention Madrid Agreement Madrid Protocol PCT Paris Convention	<ul> <li>Legal basis is the "Code Civil", in force since 1<sup>st</sup> July 1996.</li> <li>ICGS consisting of 45 classes has been adopted.</li> <li>The following trademark types are registrable: trademarks / services marks / collective marks/ certification marks / trade names, and titles of establishment.</li> <li>Multiple class applications are possible.</li> <li>A notarized power of attorney is required.</li> <li>The process from application to registration takes approximately 12 months.</li> <li>There are no provisions for filing opposition to a trademark registration.</li> <li>The official application fee is approximately USD10.00 for the 1<sup>st</sup> class of goods/services comprising up to 6 items.</li> </ul>



Trademarks

Mrs. Sakolwan Bassi Trademark Manager sbassi@namazie-law.com

What's In A Name?



#### A GREAT WAY TO FLY

Singapore Airlines (SIA) began in 1972, after the separation of Singapore from Malaya in 1965. Since then, the name, the logo and the slogan shown above have become internationally renowned brands, and symbols of airline quality.

SIA had a tough start. Other international airlines were firmly established as long haul and regional service providers in Asia. There were no domestic routes to serve, Singapore being a small island nation of only 683 square kilometers, and SIA was obliged to compete with the other international airlines for routes, flight slots, landing rights, access to airports and securing passenger confidence.

The development of the brand and innovative airline concepts introduced by SIA cannot be underestimated in the rise of the airline from a single plane operator with three flights per week, to an internationally respected airline.

SIA made a clear decision from the beginning to develop a fully branded product, based on service differentiation.

Over its 3 decade long history, the airlines invested in innovations, technology, and premium customer services, introducing many firsts in the airline industry.

#### Innovative In-flight Attractions

SIA paid keen attention to in-flight entertainment. With air travel being potential long and tedious for the frequent business traveler, this added a definite plus to a customer's choice of airline for long haul routes. So too did the offer of free alcoholic beverages on board. In 1990s SIA revolutionized in-flight communications and entertainment through the KrisFone – the first global sky telephone service. KrisWorld is the award-winning in-flight entertainment system which offers personal entertainment

systems, and video-on-command with a wide range of entertainment options to cabin classes.

SIA was also the first airline to introduce hot meals, free alcoholic and non-alcoholic beverages, hot towels with a uniquely patented scent.

#### Top of the Line Aircrafts

SIA had the first A300 Superbus, the B747-300 Big Top, the B757 and the A310-200 and SIA is also the first airline in the world to operate an international commercial flight across the Pacific Ocean with the 747-400 Megatop. *SIA made aviation history in February 2004 with the launch of the world's longest non-stop commercial flight between Singapore and Los Angeles on the Airbus A340-500.* Soon after, in June 2004, the Airline broke its own record with the launch of non-stop commercial flights between Singapore and New York (Newark) using the same aircraft. In 2006, SIA will mark another milestone as the first carrier to take delivery of and operate the world's first double-decker aircraft, the Airbus A380-800.

#### The Singapore Girl

The leading symbol of SIA is of course The Singapore Girl. The image promoted by the airline of Asian charm, clad in a Malay sarong kebaya uniform has attracted both controversy as well as custom. The uniform's bears the proprietary motif of French haute-couture designer Pierre Balmain, commissioned by SIA to become the airlines' primary hallmark and identifier.

The SIA story tells the tale of how branding and marketing can achieve product and service differentiation in a highly competitive market. SIA's branding policies serves as an inspiration for other Asian-born brands seeking international recognition.

MEGATOP are the trademarks of Singapore Airlines.



#### **Patents**

#### More Changes to the Singapore Patents Act and Rules.



Ms. Ang Hwei Boon Senior Legal Associate ang.hb@namazie-law.com

There were further changes to the patent laws this year, and is the summary of the main legislative amendments.

#### 1. Direct communication with the examiners

With effect from 1 January 2006, an applicant is now given the opportunity to communicate directly with the Singapore examiners (effectively, the Australian Patent Office, the Austrian Patent Office and the Danish Patent and Trademark Office) for the purpose of seeking clarification on the objections and comments raised in the Written Opinion.

## 2. Corresponding patent granted and final examination results from the Republic of Korea

With effect from 2 June 2006, patent applicants may now rely on a corresponding patent granted and the final examination results from the Republic of Korea for the purpose of a grant in Singapore. This will have to be accompanied by a verified English translation of the Korean Patent.

#### 3. Waiver of block extension fee

With effect from 1 August 2006, for PCT applications entering national phase in Singapore bearing an international filing date on or after 1 July 2004 only, the block extension fee, which allows transfer of the application from the fast track to the slow track, has been waived.

This change has an significant effect on applications entering national phase, since it will now be possible to make use of the more flexible slow track option, by which the deadlines for examination and grant of the application are increased by 18 months, without incurring the substantial official fee.

#### Additional Note:

Under the fast track, the period prescribed for requesting examination or a combined search and examination is 21 months from the priority date. Under the slow track, it is 39 months from the priority date.

Under the fast track, the period prescribed for grant is 42 months from the priority date. Under the slow track, it is 60 months from the priority date.

Upon filing the request for examination under the slow track, the written opinion will be issued by 57 months from the priority date.

Upcoming Reforms – further amendments are expected next year, 2007, and these will include:

#### 1. Priority Claim

#### **Current Situation:**

Currently, the Patents Act requires all applicants to claim priority within 12 months from the date of the earlier relevant application (or if there are more than one earlier relevant application, the date of the earliest relevant application). Failure to do so within the 12<sup>th</sup> month requirement would mean that the Applicant can no longer add or restore an earlier relevant application.

#### 1 April 2007:

Under the "1 April 2007" reforms, applicants can add priority claim even after the 12<sup>th</sup> month if they satisfy the following conditions as set out in the rules:

- No declaration of priority was made
- Submit the prescribed form and pay the prescribed fee
- Submit the request within 16 months from priority date



- No early publication was made
- Submit declaration to indicate file number of the earlier relevant application, its date of filing and the country it was filed

Under the "1 April 2007" reforms, applicants can restore the right to claim priority after the 12<sup>th</sup> month if they satisfy the following conditions as set out in the rules:

- Declaration of priority was made
- Submit the prescribed form and pay the prescribed

  fee
- Submit the request within 14 months from priority date
- Submit evidence by way of a statutory declaration / affidavit stating that the failure to file the priority document within 12<sup>th</sup> months occurred either in spite of due care or that it was unintentional
- No early publication was made
- Submit declaration to indicate file number of the earlier relevant application, its date of filing and the country it was filed

#### Effects of the change:

This would provide patent applicants with a limited safety net (14 months from priority date) to fall back on in situations when they miss the non extendible 12<sup>th</sup> month period to claim priority.

#### 2. Date of filing application

#### Current situation:

Currently, applicants can only acquire the filing date upon filing the request for grant of a patent and furnishing information on the applicants' earlier relevant patent application and a description of the invention.

#### 1 April 2007:

Under the "1 April 2007" reforms, after a date of filing is accorded, applicants are allowed to add any missing parts in the description or drawings which they have missed out at the time of filing

#### Effect of the change:

These changes provide applicants with a fall-back position in the event that missing parts of the descriptions or drawings are left out at the time of filing, and minimize the disadvantage to an applicant in the event of human error.

### 3. Avoidance of certain restrictive conditions and determination of parts of certain contracts

#### **Current situation:**

If a contract bears certain conditions or terms which are restrictive, such a contract will be deemed void.

#### 1 April 2007:

Come 1 April 2007, the provision is likely to be repealed. With the coming into effect of the Competition Act 2005 into the Singapore business environment, it is considered proper to leave the consideration of whether an agreement is anti-competitive under the arm of the Competition Laws.

#### Effect of the change:

Restrictive covenants in contracts relating to patented products would be subject to the requirements of the Competition laws and its corresponding guidelines.

#### 4. Publication of application

#### **Current situation:**

A Singapore national phase entry application shall be treated as published under the Patent Act upon entering national phase, providing any necessary translation of the application into English, paid the prescribed fee when it is published under the PCT.

#### 1 April 2007:

A Singapore national phase entry application shall be treated as published under the Patent Act when it is published under the PCT even if the publication occurred after the application has entered national phase.

#### Effect of the change:

The proposed change makes clear the publication of an application whether the international application enters the national phase early, or enters the national phase at the end of the time period.



#### Patents In Court:

Ms. Ang Hwei Boon Senior Legal Associate ang.hb@namazie-law.com

# Dextra Asia Co Ltd and Another v Mariwu Industrial Co (S) Pte Ltd and Another Suit [2006] 2 SLR 154; [2006] SGHC 7

Another patent dispute found its way to court recently. In the recent reported Singapore High Court case of Dextra Asia Co Ltd and Another v Mariwu Industrial Co (S) Pte Ltd and Another Suit, the court reiterated a number of widely known but important principles in deciding the validity of a patent.

#### **BACKGROUND FACTS**

The Plaintiffs were Dextra Asia Co Ltd (Dextra) and its exclusive licensees, who owned a patent relating to "the Bartec Process" - a process for making, via cold forging, mechanical joints used to connect reinforcement bars in the construction industry. Dextra and its exclusive licensees filed two actions against the Defendants, Mariwu Industrial Co (S) Pte Ltd and the managing director of Mariwu (collectively known as "Mariwu"), for infringement of its patent (the "patent" or "the Bartec Process"). In response, the defendants challenged the validity of Dextra's patent and cited prior art to substantiate the alleged lack of novelty and inventiveness.

#### **VALIDITY OF THE PATENT**

#### Technical grounds

In assessing the validity of the patent, two main elements where considered mainly, novelty and inventiveness.

#### Novelty

#### Prior use

Mariwu in the course of proving that the patent was used before the priority date relied on brochures and website which showed that the patent was indeed used. Mariwu also called upon their managing director to take the witness stand on the case of prior use of the patent.

As Mariwu had furnished skimpy details of the alleged prior use and relied on just the brochures and website (of which information contained in them had not been verified for accuracy), and the managing director who testified failed to establish clear and convincing evidence, the judge ruled that the case of prior use was not made out.

#### **Prior Disclosure**

The judge in deciding whether the allegation of prior disclosure has been made out followed the principle laid down by LP Thean JA in the case of <u>Hunter Manufacturing</u>

<u>Pte Ltd v Soundtex & Engineering Pte Ltd</u> (No 1) [2000] 1

SLR 401.

"... both the elements of interest in the design and private collaboration were present and it could not be said that the registered design had become a matter of public knowledge so as to amount to a public disclosure."

After considering the evidence, the court concluded ".the evidence pointed inexorably to a finding that all disclosures before the priority date were cloaked with confidentiality and provided no basis for Mariwu's assertion that prior disclosure invalidated the patent."

#### Prior Art

One of the issues for consideration in this case was whether the Patent was invalidated by prior art. Mariwu relied on a number of prior arts to persuade the Court that the patent was invalid for lack of novelty.

Relying on the case of **The General Tire & Rubber Company v The Firestone Tyre and Rubber Company Limited** [1072] RPC 457 where Sachs LJ explained:

"If the prior inventor's publication contains a clear description of, or clear instructions to do or make, something that would infringe the patentee's claim if carried out after the grant of the patentee's patent, the patentee's claim will have been shown to lack the necessary novelty, that is to say, it will have been anticipated...

To anticipate the patentee's claim the prior publication must contain clear and unmistakable directions to do what the patentee claims to have invented... A signpost, however clear, upon the road to the patentee's invention will not suffice. The prior invention must be



clearly shown to have planted his flag at the precise destination before the patentee."

And the words of Tomlin J in *In the matter of Lowndes'*Patent (1928) 45 RPC 48:

"It is not open to you to take a packet of prior documents and, ... by ... putting a puzzle together, produce what you say is a disclosure in the nature of a combination of the various elements which have been contained in the prior documents. I think it is necessary to point to a clear and specific disclosure of something which can be fairly stated to be the invention of the patentee..."

The court rejected Mariwu's arguments and held that they had failed to show that any of the prior art disclosed cold forging was used to produce the rebars which was an important feature in the Bartec process nor any other features in the Bartec process.

#### Inventiveness

The court next considered whether the Patent was invalidated because it lacked inventiveness. Mariwu argued that the Bartec process is at the very most a new use for an old system, which involved a combining known integers. The court, after considering precedent case law, held that the patent was not invalidated by lack of inventiveness.

#### CONCLUSION

The case clearly demonstrates the importance of expert witness evidence in a patent infringement action. Particularly, the advantage of an expert witness who is not only an expert in the relevant field, but who also is conversant with the legal criteria of inventiveness. Dextra's expert witness gave clear and helpful evidence to the court, which persuaded the judge of its case.

On the other hand, the Defendants' expert witness demonstrated on more than one occasion during cross-examination a flawed understanding of key terms such as "inventive" and the applicable principles in the assessment of prior art. The case also serves as a useful reminder that in patent litigation, usually involving issues of a technical nature, the presentation to the court of clear expert witness testimony is critical to a contestant's case.

#### Editor's Note:

The Defendants have filed an appeal against the decision and the hearing is fixed for July 2006. The decision on the appeal has yet been reported.

#### Firm Activities 2006

- Ang Hwei Boon & Sakolwan Bassi attended the ASEAN IPA Conference & Annual Meeting 2006 on 9-11 March 2006 in Bangkok, Thailand
- Farah Namazie presented a paper entitled "Different Forms of Electronic Contracts" at the Electronic Agreements '06 Conference, held at the Intercontinental Hotel, Singapore on 11 April 2006.
- Ang Hwei Boon attended the seminar on "Journey into the Middle Kingdom: Insight into the China's IP Regime Conference" on 25 –26 May 2006
- Farah Namazie gave a speech on the topic: Protecting Intellectual Property in Asia at Swiss Business Association's event at the Conrad Hotel, Singapore on 20 June 2006
- Farah Namazie presented a paper on the topic: Intellectual Property Rights in Asia Pacific at the Singapore Business Federation seminar on Intellectual Property on 28 July 2006
- Ang Hwei Boon attended the seminar on "Trademark and Brand Valuation" on 17 July 2006
- Ang Hwei Boon attended the seminar on "Patents-Creating Worthwhile Investments NOT Financial Burdens" on 19 July 2006
- Ang Hwei Boon & Sakolwan Bassi attended Trademark Course in Certification Marks at IPOS on 12 September 2006
- Ang Hwei Boon attended the seminar on "Copyright, Commerce and Society in a Digital Age" on 28 September 2006
- Farah Namazie gave a speech on the topic: Protecting Intellectual Property in Asia at Rotary Club of Singapore – West 's event at The Pines, Singapore on 19 October 2006
- Farah Namazie & Ang Hwei Boon attended the seminar on "Competition Law Issues Affecting Intellectual Property Transactions" on 17 October 2006
- Ang Hwei Boon & Sakolwan Bassi attended the seminar on "From the Amazon to Zanzibar: Place Names as Trademarks and Geographical Indications" on 31 October 2006
- Sakolwan Bassi attended the seminar on "Creative & IP: At Work, at Home & At Play" on 27 November 2006



#### SOUND MARKS

Sound marks became registerable in Singapore in 2004. Since 2004, only 24 applications for sound marks have been filed in Singapore, indicating that the ability to protect sound marks is not optimized by owners of sound marks, such as proprietors of ring tones, for example, or other melodies which signify a service or a product. However, companies such as Ricola AG, Nokia Corporation, Intel Corporation, Yahoo! Inc. & Tetris Holding, LLC have successfully registered their respective sound marks in Singapore.

Namazie & Co. recently filed our first application for a SOUND MARK in classes 9, 28 & 41. The process is not complicated, and is the same as filing an application for a trademark or device mark.

The Applicant needs to provide a graphical representation of the sound mark which means by images, lines or characters as well as musical notation. The Intellectual Property Office of Singapore requires the graphical representation to be clear, precise, self-contained, easily accessible, intelligible, durable, and objective.

Sound Marks have been increasingly used as trade marks in marketplace in recent times. More famous sound marks include the **MGM's** lion's roar, **Intel** 's three-second chord sequence used with the Pentium processor, **AT&T's** spoken letters "AT&T" accompanied by music.

#### About Namazie & Co.

IP COMPASS®, is a publication of Namazie & Co, an Intellectual Property and Technology law firm. Rated as one of the top ten IP practices by Asia - Pacific Legal 500 from 2003 onwards, we offer our clients comprehensive and personalized guidance of the intricacies of Intellectual Property and Technology law protection in Asia. Our international team comprises IP and technology professionals, with expertise and experience in a wide range of legal, commercial and technical issues.

#### Contact Us



Nureen Juri

Nureen maintains our database and mailing lists for this Newsletter, and the Editorial team wishes to acknowledge her excellent work and coordination in helping us get this publication to you. You can contact Nureen at n.juri@namazie-law.com or general@namazie-law.com

The content in this newsletter is offered as general information to our clients and associates, and is not intended as legal advice.

Namazie & Co. 65 Chulia Street #40-03 OCBC Centre Singapore 049513

#### www.namazie-law.com

tel: 65 6538 9711 fax: 65 6538 9722



