



AIPPI – Plain Packaging Questionnaire –

National Group: Thailand

1) if the general conditions of registrability are met, does the product or service in relation to which a trademark is used or proposed to be used have any effect on the ability to:

(a) register the trademark; and

(b) use it once so registered?

a) No. With respect to the objective of the trademark system, even though the association of a mark with particular goods (products) is of crucial importance, Section 6 of the Trademark Act only stipulates a set of criteria for a mark to be registered as a trademark. Thus, there are no such requirements with respect to the goods concerned. However, the goods in question (product) affect the registration of the trademark in two ways. First, the purpose and nature of product has an impact on determining of the class in which the trademark will be registered, which subsequently streamlines the registration procedure. In this respect, while Thailand is not a contracting party to the “Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks,” as of March 1, 2013, the Thai Trademark Office implemented classification manuals in line with the 10th edition of the Nice Classification system. Please note that while it is possible for a trademark to be registered with respect to various classes of goods, multiple-class applications are not possible until new amendments to the Trademark Act are in force.

Second, the character of the product influences the registrability of a mark in. In order to be eligible for registration a mark has to be distinctive, hence have capability to distinguish goods bearing a trademark from others. Therefore should the mark merely describe of the product or its main characteristics, it cannot be registered.

b) In the light of the above, the product for which a trademark has been registered has an impact on the use of this mark, inasmuch as every trademark must be used only in connection with the goods for which it was granted. The exclusive rights of the trademark owner (see question number 2) do not include goods for which the trademark was not granted.

2) What rights are derived from trademark registration?

Section 43 of the Trademark Act stipulates that when a trademark is registered, the proprietor of the trademark shall have the exclusive right to its use with the goods for which registration was granted. The rights to use a trademark include the rights to: (i) label the products or their packaging with the trademark for which they are registered, (ii) offer products or services denoted with the trademark, (iii) import and export products so denoted, and (iv) use the trademark in business correspondence or advertisements. These rights may be also licensed or assigned.

The owner of a registered trademark is moreover entitled to bring about civil proceedings against an infringer who uses the trademark in question without authorization. In this respect, the trademark owner may request the following remedies: (i) monetary damages, (ii) seeking court injunctions prohibiting registration of an infringing trademark or cancellation thereof, and (iii) ordering a withdrawal of the goods bearing the infringing trademark from the market. Similarly, the trademark owner shall have the rights under the Penal Code, which holds certain acts as criminal offenses and provides for a punishment (imprisonment or fine) for an offender.

3) What rights exist in relation to a sign used as a trademark but not registered? What is the basis of any such right?

In principle, the rights of an unregistered trademark owner are substantially inferior to those of a registered trademark owner. With respect to the right to use the trademark, an encircled letter R cannot be used on imported goods if the trademark is not registered in Thailand. Such improper use is subject to punishment of both imprisonment and a fine. Moreover, under Section 46 paragraph 1 of the Trademark Act, a person is not entitled to initiate civil proceedings to prevent or recover damages for infringement on an unregistered trademark. This includes seeking compensation for damages, bringing the existing infringement to an end, and preventing future infringement or applying for a court injunction to prevent the use of the trademark.

Nevertheless, under the Civil and Commercial Code in conjunction with Section 46 paragraph 2 of the Trademark Act, an owner of an unregistered trademark shall have the right to bring legal proceedings before the Intellectual Property and International Trade Court against any person for passing off goods as those of the owner of the trademark. While the notion of passing-off is not expressly addressed, it can be defined as a set of unauthorized actions with respect to the trademark of another person in a manner which causes consumers to believe that the goods came from another source. In light of various Supreme Court decisions, passing-off applies also to an act that brings about confusion concerning the origin of goods (No. 343/2503) or use of the same or similar trademark with goods under the same or different classification (No. 310/2524).

Limited protection is also afforded to unregistered trademark owners by the Penal Code, which imposes penalties on use of a name, figure, artificial mark, or wording in carrying on the trade of another person, or causing the same to appear on merchandise, packing covering, advertisements, price lists, commercial letters, or the like, in order to make the public believe that it is the merchandise or trade of such person.

4) Is it possible to

(a) obtain; or

(b) maintain;

Registration for a trademark that is not

(i) used; or

(ii) intended to be used?

A -i) Unlike in other jurisdictions, the prior use of a trademark is not required for trademark registration in Thailand.

A –ii) As under Section 4 of the Trademark Act, the trademark is defined as a mark used or proposed to be used in connection with certain goods, and the intention to use shall be presented upon registration. This conclusion is further supported by Section 63 of the Trademark Act, as seen below.

B) While prior use is not a condition for registration, the use of the trademark in question plays a vital role in securing permanency of the trademark. According to Section 63 of the Trademark Act, any interested person or the Registrar may petition the Board to cancel a trademark registration if it is proven that, at the time of registration, the owner of the trademark had no bona fide intention to use the trademark with the goods for which it was registered, and in fact there was no bona fide use whatsoever of the trademark for such goods, or that, during the three years prior to the petition for cancellation, there was no bona fide use of the trademark with the goods with which it was registered.

This does not, however, apply in cases where the nonuse occurred due to special circumstances in trade, and was not due to an intention not to use or to abandon the trademark for the goods with which it was registered. Moreover, use of the trademark by a licensee within the scope of a license agreement is deemed use by the trademark owner, pursuant to Section 70 of the Trademark Act. Hence, the trademark owner maintains his rights even in the case of his non-use, provided that the trademark is being used under a license agreement.

5) If yes to 4) above, are the rights derived from such trademark registration the same or different to registered trademarks that are used?

In the light of the above, although the owner of an unused trademark shall maintain his rights so long as no interested person submits a request to cancel the mark to the Registrar, in practice the rights of unused trademarks are deprived in several circumstances.

Often, in a contentious matter, such as preventing a newcomer with a similar trademark or trademark infringement, a non-use issue will be used as a defense by the opposing party.

6) Are rights in unregistered trademarks dependent on use? Whether yes or no, please explain the basis of your answer.

As described in question 3, the rights associated with an unregistered trademark are significantly lower than the rights associated with a registered trademark. However, an application of the doctrine of passing-off renders the rights of an unregistered trademark owner comparable to those of the owner of a registered trademark. In this case, the owner of an unregistered trademark may invoke the act of passing-off to sustain his rights when any person sells his goods in a manner to mislead the public into believing that they are the goods of an unregistered trademark owner. The passing-off therefore occurs when the unregistered trademark has been used widely enough to be well-known to the public. Consequently, in light of the foregoing, the rights of the owner of an unregistered trademark depend, to an extent, on its use.

7) Is there any basis to restrict the use of:

(a) a registered trademark; or

(b) a sign used as a trademark?

If yes, please explain any relevant laws or precedents.

Certain levels of restrictions against using a registered trademark or sign can be found in some situations.

For medical products, such as pharmaceuticals and medical devices, the business operator cannot advertise (and use the registered trademark) directly to consumers, they can only target professionals. Drugs in the household remedy category can be advertised directly to consumers and the general public, but the advertisement is subject to FDA review and approval before dissemination.

Drugs that can be advertised directly to consumers and the general public must not be dangerous drugs. However, most drugs are classified as dangerous drugs under Thai law. In this regard, drugs classified as dangerous drugs must be dispensed by a pharmacist or doctor. Drugs that are not classified as dangerous drugs (for example, traditional drugs or household remedies) are specifically listed by the Ministry of Public Health. Patients can buy these drugs without the need for a pharmacist to dispense the drug.

The Consumer Protection Act prescribes that any person who, with the intention to cause misunderstanding as to the origin, condition, quality, quantity, or other essential matters concerning goods or services of such person, or any other person, advertises or uses a label containing a statement which is false, or which is known or should have been known to cause misunderstanding, could be punished. As a result, if any person uses a sign or registered trademark in association with certain products and causes such misunderstanding, such use can be limited as well.

There is limitation on advertisement for alcohol beverages and the advertisement of tobacco products are totally restricted in Thailand.

8. Is there any basis for the state or any state-controlled body to expropriate?

(a) a registered trademark:

(b) a sign used as a trademark; or

(c) the rights deriving from either (a) or (b)?

If yes, please explain any relevant laws or precedents.

No. The Thai Constitution allows only for the expropriation of immovable (or real) property, i.e. not of intellectual property (see Article 42). Furthermore, Section 44 of the Trademark Act grants “a person who is registered as the owner of a trademark” the “exclusive right to use it for the goods for which it is registered,” and includes no exceptional circumstances clause.

9. If yes to 7) or 8) above, do public interest considerations provide any basis for such restriction or expropriation (“Restriction/Expropriation”)? If yes, please explain any applicable interest consideration, and any relevant laws or precedents.

The Drug Act and the Medical Devices Act intends to protect consumer from receiving improper information from business operation. The laws prohibit direct communication between business operators and consumers and delegate such duty to physicians who must advise the patients on the most appropriate product.

The restrictions on alcohol beverage and tobacco products advertising are to reduce amount of consumer consumption.

Please note that the current restrictions in Thailand are limited to public communication (advertisement). There are no prohibition on the use of trademark with the products at present.

10. If yes to 7) or 8) above, are trademarks different from other intellectual property rights in this regards?

No.

11. If yes to 7) or 8) above, are any treaty or other international obligations relied on to provide a basis for such Restriction/Expropriation (as applicable)? If yes, please explain any applicable public interest considerations, and any relevant laws or precedents.

No.

12. Is your country a signatory to the WHO Framework Convention on Tobacco Control (“FCTC”)? If yes, has your country ratified the FCTC?

Yes. Thailand is a signatory to the WHO FCTC. Thailand ratified the FCTC on 8/11/2004.

13. If yes to 12) above, has the FCTC been implemented in your country? If yes, please explain its legal impact, if any, including by reference to the Guidelines for Implementation of Articles 11 and 13 of FCTC.

In large part, the FCTC has been implemented in Thailand. The relevant body of legislation includes the Tobacco Products Control Act (1992), various Ministry of Public Health (MOPH) Notices pursuant to the Act, and the MOPH Directive Procedures for Distribution of Tobacco Products. Together this legislation governs tobacco products packaging and labeling as well as advertising, promotion and sponsorship of tobacco products. Please note that there is currently within the Ministry of Public Health a Tobacco Products Control Act. Particular intellectual property concerns in the draft Act are:

Article 31

Article 31 of the Draft Act contains broad advertising prohibitions that go well beyond the existing prohibition of the display of the name or trademark of tobacco products. The new language prohibits use of the importer’s or manufacturer’s name or trademark on anything.

Article 32

Draft Article 32 goes even further by precluding trademarks used for tobacco products or those registered in Class 34 from being used on any other products offered for sale in Thailand.

Article 40

Article 40 of the Draft Act would allow the Minister of Public Health, with the advice of the National Tobacco Consumption Control Policy Commission, to require plain packaging of tobacco products through ministerial decree. Under plain packaging, tobacco manufactures would be prohibited from using multiple valuable registered trademarks on their products.

Regarding advertising and promotion of tobacco products, Section 8 of the Tobacco Products Control Act’s broad language has been liberally interpreted to ban essentially all forms of domestic advertising and promotion of tobacco products, and is thus mainly in line with Art. 13 of the FCTC and the FCTC Art. 13 Guidelines. Three problematic areas, where further specification/clarification in the law is required to achieve full Article 13 compliance are:

1. International advertising (TV and radio as well as printed matter) is not specifically banned under Thai law; the law should stipulate cross-border bans.
2. Duty-free shops in international airports are exempted from the Kingdom's ban on tobacco product displays; the law should provide no exemptions.
3. Thai law only employs the term "advertising," rather than "advertising and promotion," and it is thus unclear whether certain promotional activities (e.g. retailer incentive programs) are banned; the law should employ the term "advertising and promotion," and outright ban all "advertising and promotion" activities

Regarding packaging and labeling of tobacco products, Thailand requires both picture and text health warnings on tobacco products (see Sections 12 and 13 of the Tobacco Products Control Act). For example, such warnings must cover 55 percent of the front and back principle display area of cigarette boxes. Note that these cigarette health warning requirements are set to increase to 85 percent in October 2013. Thai law further requires qualitative component and emission disclosure statements, and forbids misleading words or statements that might lead a consumer to believe that a tobacco product is safer than others, or that might encourage a consumer to use the product. While Thai packaging and labeling requirements largely satisfy FCTC standards, in order to fully align with Art. 11 of the FCTC and FCTC Art. 11 Guidelines, the law should further specify that the aforementioned health warnings should be updated every 12-36 months. Furthermore, regulations should stipulate individualized health warnings for smokeless tobacco product packages (e.g. relating to the specific act of chewing tobacco), rather than defaulting to the general tobacco warnings.

Regarding specific legal responses to the FCTC, in 2012 the Department of Disease Control (the arm of the MOPH responsible for setting tobacco products regulations) published a new regulation cancelling the prior regulation (1991) and outlining amendments to its regulation-setting policies and procedures (e.g. covering the registration process for distribution of tobacco products). This regulation was created in order to ensure that Thailand would be compliant with Article 5.3 of the FCTC (requiring that member states protect public health policy making and execution from commercial and other vested interests of the tobacco industry).

14. is the FCTC received directly into your country's domestic law or is domestic legislation required to give it effect in your country's law?

Domestic legislation is required to give the FCTC effect in Thai law. The Tobacco Products Control Act (1992) grants the Minister of Public Health "the power to promulgate regulations specifying criteria for packaging and labeling.

15. If there is presently a legal basis in your country for permitting any Restriction/Expropriation, please answer the following questions in relation to both registered trademarks and unregistered trademarks (if your country recognizes/protects the latter).

(a) What the parameters for such Restriction/Expropriation? For example, the nature of the stated public interest considerations, the proportionality of the proposed measure to Restriction/Expropriation.

Please refer to answer in Q9.

(b) Is it relevant that such Restriction/ Expropriation only applies in relation to a particular class of products, e.g. tobacco products, foods deemed to be unhealthy or alcohol?

In most case, the restriction applies to products which involving health and wellbeing of consumers such as drugs, medical device, foods, tobacco products, and alcohol.

(c) What are the financial consequences for the state and the trademark rights holder respectively? For example, is a rights holder entitled to or eligible for any compensation in respect of the Restriction/Expropriation? If yes, what type of rights holders are so entitled or eligible? If not, why is no compensation available?

The restriction of use is considered “expropriation” as trademark owners are able to use those trademarks in some channel. Most of the restrictions in Thailand involve restriction on advertising, but does not restrict the use on the products. Therefore, there is no compensation available.

16. If there is presently no legal framework in your country permitting Restriction/Expropriation, please answer the following questions in relation to both registered trademarks and unregistered trademarks (if your country recognizes/protects the latter).

(a) What legislative changes would be necessary in your country to implement a plain packaging regime for a specific class or classes of products such as those previously mentioned? For example, amendments to existing domestic trademark legislation, changes to your country’s constitution, multilateral or supranational treaty obligations.

(b) Could a plain packaging a regime be implemented in your country without providing compensation to affected trademark rights holders? If no, what type of rights holder would be entitled to or eligible for compensation? If yes, why would no compensation be payable?

(c) Would a trademark rights holder affected by Restriction/Expropriation have any other claims or remedies against the state? If yes, please explain the basis and nature of any claims or remedies.

Thai government has a plant to implement a legal framework to increase graphic health warning on the label of cigarette by way of “Notification of Ministry of Public Health Re Bases, Procedures and Conditions Respecting Display of Label and Statements on Label of Cigarette B.E. 2556 (2013).” The Notification will serve to increase graphic health warnings from the current 55% of the pack to 85% of the pack.

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