

Singapore

Contributing firm
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Legal framework

The law relating to the administration, protection and enforcement of trademarks in Singapore is governed by the Trademarks Act 1998. This is modelled on the UK Trademarks Act 1994, which is in turn derived from the First Trademark Directive. The Singapore Trademarks Act is supplemented by the Trademarks Rules and the Trademarks (Border Enforcement Measures) Rules.

The act established a new law for trademarks in Singapore and also enabled the legislature to give effect to international conventions and treaties to which Singapore is a party. These include:

- the Paris Convention for the Protection of Industrial Property;
- the Madrid Protocol;
- the Nice Agreement on the International Classification of Goods and Services;

- the Agreement on Trade-Related Aspects of Intellectual Property (TRIPs); and
- the 2003 US-Singapore Free Trade Agreement.

The act expressly retains the common law action of passing off, which complements protection for registered and unregistered trademarks.

Border measures

TRIPs obligates member states to provide strong border enforcement measures against the trade in counterfeit goods, with a reasonable degree of protection for rights holders. These measures are provided under the act and include the following:

- restricting the import of suspected infringing goods into Singapore;
- seizing such goods;
- detaining such goods pending a court order;
- providing security or equivalent assurances to protect the importer and Customs; and
- destroying or disposing of such goods.

These measures are not available to stop goods in transit in Singapore (unless they are consigned to a person with a commercial or physical presence in the country), or for goods that were first placed on the market in another country by or with the consent of the rights holder.

There are two methods by which suspected infringing goods may be seized, detained, searched and/or examined by Customs:

- a written notice from the rights holder or its licensee; or
- an *ex officio* procedure, where Customs has a reasonable suspicion that the goods are counterfeit in relation to a registered trademark.

Under the first method, the rights holder or its licensee must take the initiative and lodge a written notice with the director-general of Customs to assist him by fulfilling the requisite requirements to ensure that the suspected goods are seized, detained, searched and/or examined. The notice must state that:

“ Sales networks can serve as useful eyes and ears on the ground, and can help to give rights holders a sense of the counterfeit goods that are being distributed ”

- the rights holder is the owner of a registered trademark or a licensee with the power to give such a notice;
- the goods are infringing and due to be imported; and
- the rights holder objects to the expected importation.

The notice must also provide sufficient information to:

- identify the goods;
- enable the director-general to ascertain when and where the goods are expected to be imported; and
- satisfy the director-general that the goods are infringing.

In relation to an *ex officio* action, an authorised customs officer may detain or examine any goods which he or she reasonably suspects to be counterfeit.

Specifically, he or she may:

- detain any suspected counterfeits that:
 - are imported into or are to be exported from Singapore; and
 - are not goods in transit (unless the goods are consigned to a person with a commercial or physical presence in Singapore); and
- examine any goods (including goods in transit).

Following the seizure or detention of counterfeit goods under either of these methods, the rights holder must apply for a court order authorizing the further detention of the goods within a set period. Failing this, the goods must be released to the importer, exporter or consignee, as appropriate.

Since there is no formal system of rights registration, it is helpful for rights holders and their licensees to engage with Customs directly by conducting regular training on how to identify counterfeit goods. This gives customs officers the necessary skills to identify, intercept and detain counterfeits. It also gives rights holders the opportunity to work with customs officers so that the latter know whom to notify in the event that counterfeit goods are expected to be imported or detained.

Criminal prosecution

Counterfeiting has serious adverse effects on consumers and can also raise health and safety concerns. Therefore, the protection of consumers, as well as legitimate manufacturers and traders, is an important policy consideration for dealing with counterfeiting and associated acts in Singapore.

The Trademarks Act makes it a criminal offence to:

- counterfeit a trademark;
- falsely apply a registered trademark to goods or services;
- make or possess an article for committing such an offence;
- import or sell goods with a falsely applied trademark;
- falsify the register;
- falsely represent a trademark as registered; or
- represent as trademarks coats of arms or flags, as these are prohibited.

In general, these actions are offences if carried out without the consent of the rights holder or its licensee. In each case the

burden is on the accused to prove consent from the rights holder or its licensee. There is no requirement on the rights holder or licensee to prove dishonesty or intent on the part of the accused.

These offences attract heavy penalties, which are designed to provide greater protection for trademarks and to protect rights holders that have invested heavily in research, design, production and marketing. The courts have taken a progressively more stringent stance on the infringement of IP rights. In general, the maximum penalty is a fine of up to S\$100,000, imprisonment for up to five years or both, together with the possibility of forfeiture of the counterfeit goods. However, the courts tend to give weight to the public interest and all circumstances of the offence, including the nature and extent of the infringement, and the manner in which it was carried out.

Criminal prosecution of IP offences may be conducted on an *ex officio* basis by the IP Rights Branch of the Singapore police force's Criminal Investigation Department or by private prosecution, usually through local counsel.

The IP Rights Branch may consider taking *ex officio* action where rights holders face practical difficulties conducting their own raids against elusive infringers (eg, those selling goods from temporary stalls). In such actions the attorney general is the public prosecutor and has control and conduct of the criminal prosecution.

By and large, in default of an *ex officio* action by the IP Rights Branch, the onus is on the rights holder to enforce its rights. Assuming that a suitable target infringer is identified, the rights holder may apply for a

search warrant by filing a complaint. The search warrant is an unconditional or conditional authorization issued by a court to a police officer to enter and search the premises specified in the warrant for any goods, materials, articles or documents referred to in the warrant.

Upon the seizure of any goods, materials, articles or documents from the premises, proceedings must be instituted within six months. Failing this, any seized goods or materials must be returned to the person from whom they were seized.

If there are sufficient grounds for proceedings against the infringer, authority (by way of a fiat) may be sought from the attorney general to proceed with criminal proceedings by way of private prosecution, subject to the rights holder providing certain relevant information and documents and giving an indemnity. Upon conviction, the infringer will be subject to the penalties set out above.

Civil enforcement

In a civil action for trademark infringement, the court has the power to award an injunction and damages or an account of profits. In addition, the following remedies are expressly provided by the act:

- statutory damages;
- erasure, removal or obliteration of an offending sign;
- delivery up of infringing goods, materials and articles; and
- disposal of infringing goods, materials and articles.

Although not expressly stated, discretionary remedies such as *ex parte* search and seize orders and Mareva injunctions (court orders freezing an infringer's assets so that it cannot dissipate them or place them beyond the court's jurisdiction so as to frustrate a judgment) are available if the requisite conditions are met.

The common law action of passing off is also available. In order for such an action to succeed, the plaintiff must show that there is goodwill or reputation attached to the disputed goods or services. The plaintiff must further show that misrepresentation by the defendant led to confusion on the part of the public, thereby causing damage or likelihood of damage to the plaintiff. Goodwill and reputation are generated by use; a plaintiff need not rely on a registered trademark for an action for passing off.

Such actions are also available to protect a product's get-up (ie, fanciful features), as well as character and personality merchandising. This is certainly a useful

remedy to consider, especially in light of the rapid changes in marketing methods in a competitive business environment.

Anti-counterfeiting online

Counterfeiters have not been slow to exploit the Internet to support their activities. The Internet's global impact poses new and difficult questions for courts with regard to the nature, extent and propriety of their jurisdiction over persons and activities.

Under the Trademarks Act, there is a cause of action for infringement of a registered trademark if a person uses an identical or similar trademark in the course of trade without the rights holder's consent. Although not expressly stated, the online use must be in Singapore, as trademark rights are territorial and there is no evidence that the act is intended to have extra-territorial effect. Therefore, arguably, there would be a cause of action arising in Singapore based on the use of a trademark on a website if the use catered to a clientele in Singapore.

It has also been observed that websites that started out with the intention of networking and trading have also been exploited by counterfeiters, who hide behind the anonymity of the Internet. It has become more challenging to identify, investigate, apprehend and take legal action against such counterfeiters. In this regard, the Singapore courts have allowed the disclosure of the particulars of internet downloaders of copyrighted material by an internet service provider by way of pre-action discovery for purposes of enforcement action.

Preventive measures/strategies

Securing IP rights

Fundamental to any anti-counterfeiting effort is the enforcement of IP rights. Therefore, it is important to acquire and establish those rights early. Securing early trademark registrations of, among other things, key brands, products, subnomens and slogans will go a long way towards deterring potential counterfeiters.

Exercising control over IP rights

Once the IP rights have been acquired, the rights holder should exercise tight control over how they are managed. Tight licensing and usage policies will give the rights holder clarity over the way the intellectual property will subsequently be enforced.

Enforcing IP rights with IP experts

Rights holders should take care to choose a

good IP expert to work through enforcement issues. Having a partner who is familiar with the IP issues will save rights holders a great deal of time and effort, as he or she will be in tune with the unique requirements of that specific industry.

Securing facilities and transportation networks

Counterfeiters often exploit the weaknesses or lapses in the security of the facilities or transportation networks in order to acquire key items or information to produce counterfeits. Therefore, rights holders might want to tighten their current procedures with regard to important pieces of equipment or information to prevent counterfeiting.

Using networks

Rights holders should also consider whether their internal and external business networks could help them enforce their intellectual property. For instance, sales networks can serve as useful eyes and ears on the ground, and can help to give rights holders a sense of the counterfeit goods that are being distributed. An IP expert who is already familiar with brands and products could also conduct watch services for the rights holder to identify potentially problematic trademarks that are being registered by counterfeiters. Lastly, rights holders are not alone when it comes to battling counterfeiters: there are many organizations and resources available to help them. [WTR](#)



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Tan Tee Jim is a senior partner at Lee & Lee's IP department. He received his bachelor of laws degree from the University of Singapore in 1979 and obtained a master's in law from London University in 1983. In 1999 he was appointed a senior counsel (equivalent of queen's counsel in the United Kingdom) by the Supreme Court of Singapore. Mr Tan has been involved in numerous court cases, including cases which have become landmarks in the local IP field. He has written and presented numerous papers and is also the author of the book *Law of Trade Marks & Passing Off in Singapore* (now in its second edition). Mr Tan has been regularly cited as a leading IP lawyer in Singapore and Asia by various legal publications, including *The Asia Pacific Legal 500*, *Global Counsel 3,000*, *AsiaLaw Leading Lawyers* and *Global Counsel's Intellectual Property Handbook*.



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