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Legal framework

The principal pieces of legislation that address counterfeiting in Jamaica are as follows:

- the Trademarks Act 1999;
- the Merchandise Marks Act 1888;
- the Customs Act 1941; and
- the Fair Competition Act 1993.

The law of passing off provides a remedy based entirely on common law.

Trademarks registered in Jamaica are governed by the Trademarks Act and its subsidiary rules. Under the act, a 'trademark' is defined as any sign that is capable of:

- being graphically represented; and
- distinguishing the goods and services of one undertaking from those of another.

For the purposes of the statute, therefore, trademarks include traditional or

conventional marks, as well as unconventional marks such as smells, taste, touch, sounds, colours and three-dimensional signs. It is an infringement of a registered trademark to use a sign in the course of trade that is identical or deceptively or confusingly similar to the registered mark on products for which the mark is registered, without the authorization of the registered proprietor. 'Use' includes offering or exposing goods for sale under the sign and importing or exporting goods under the sign (Section 9).

Sections 31 and 69 of the Trademarks Act detail civil remedies and criminal offences for counterfeiting. An offence under the act can be committed only if the alleged infringer intended to gain or to cause loss and acted without the proprietor's consent. Also, the trademark which is the subject matter of the offence must be registered in Jamaica.

While Section 4(3) of the Trademarks Act states that proceedings cannot be brought under the act in relation to the infringement of an unregistered trademark, it expressly

recognizes legal rights (particularly under the law of passing off) protecting an unregistered mark or other sign used in the course of trade. The tort of passing off protects against the unauthorized use of unregistered trademarks, although being a civil wrong, the remedies are limited to civil remedies such as damages, account of profits and injunction. Criminal sanctions are set out in statutory provisions.

Border measures

Section 66 of the Trademarks Act allows a registered proprietor or licensee of a trademark to give written notice to the commissioner of Customs requesting that he treat goods expected to arrive in Jamaica as prohibited goods under the Customs Act, where the application of the mark to the goods or its packaging is an infringement of a registered trademark. While this notice is in force, the import of infringing goods is prohibited, other than for private and domestic use, and the commissioner can seize infringing goods at the point of entry and order their forfeiture and disposal (Section

216). Section 43 states that in-transit goods are also covered by the act. Only proprietors and licensees of registered trademarks can avail themselves of this remedy under the Customs Act; the protection does not extend to unregistered marks.

The designation of prohibited goods in the Customs Act includes goods which, if offered for sale, would be liable to forfeiture under the Merchandise Marks Act. Accordingly, even without written notice from the registered proprietor, there is a ban on the import of counterfeit goods (Section 40(ii) of the Customs Act). An officer under the Customs Act may search for prohibited goods anywhere they are reasonably suspected to be located. Obviously, the authorities' effectiveness in finding prohibited goods largely depends on their being alerted to the existence and location of the counterfeit goods, rather than relying on routine searches only.

Criminal prosecution

Under the Trademarks Act, an offence is committed if, without the proprietor's consent and with the intention either to gain or to cause loss, a person:

- applies to goods or to their labelling a sign that is identical to or likely to be mistaken for a registered trademark;
- sells, lets or distributes goods under any such sign;
- uses any such labelling or packaging in relation to the goods;
- possesses such labelling or packaging with the intention of using them in relation to the goods; or
- makes or possesses in the course of a business an article designed to make copies of signs identical to the registered trademark in the knowledge that this article will be used to reproduce goods or labelling material.

The foregoing applies only to registered marks. Anyone found guilty of any of these offences under the Trademarks Act can, on summary conviction, face a maximum fine of J\$1 million and/or imprisonment for up to 12 months. On conviction before the circuit court, an unlimited fine can be imposed and/or the defendant can be imprisoned for up to five years.

Under Section 3(1) of the Merchandise Marks Act, anyone who forges a trademark, falsely applies to a product a sign that is deceptively similar to a trademark, or makes or possesses any instrument for forging trademarks is guilty of an offence, unless he or she can prove that he or she acted without intent to defraud. It is also an offence

commercially to possess any product to which a forged trademark or a sign that is deceptively similar to a trademark has been applied (Section 3(2)). A defendant will escape liability upon proving that he or she took all reasonable precautions against committing the offence, had no reason to suspect the authenticity of the mark and cooperated with the prosecutor when called upon, or that otherwise he or she acted innocently. Both offences put this burden of proof on the defendant, unlike most other criminal statutes which require the prosecution to prove that the accused had the necessary criminal intent. Further, the act places the burden on the defendant to prove that he or she had the mark owner's consent.

Upon conviction on indictment, the defendant may face imprisonment for up to two years and/or an unlimited fine. On summary conviction, he or she may face imprisonment for up to four months or a fine of up to J\$200; in either case, all goods that are the subject matter of the offence must be forfeited.

A prosecution can be commenced in one of two ways. A complaint of alleged infringement may be made to the police, who will first satisfy themselves that there is evidence of a criminal offence and then prepare and sign a written information document. This is laid before a justice of the peace, who will then issue a summons to the person to be charged, compelling him or her to attend court. Alternatively, the individual who complains of the infringement may, without the assistance of the police, prepare and sign a written complaint (so-called 'information') and file it at the resident magistrate's court, where a summons will be issued by the clerk of the courts (who is *ex officio* a justice of the peace) to the person to be charged, compelling him or her to attend court for the hearing. This is referred to as a private prosecution.

All prosecutions commence in the resident magistrate's court. As both the Trademarks Act and the Merchandise Marks Act refer to both the resident magistrate's court and the Supreme Court (Circuit Court) having jurisdiction, the prosecutor or the resident magistrate will decide in which court to prosecute. If the offence is considered particularly serious, it will be prosecuted in the Supreme Court.

Civil enforcement

Registered trademarks

Section 9 of the Trademarks Act establishes that the import or export of goods under a sign without the permission of the

registered proprietor infringes a registered trademark, among other things.

Infringement can relate to the goods themselves, their packaging or articles specifically designed for making copies of the registered trademark (Section 31). The statute allows the registered proprietor to seek the same relief that would be available in respect of the infringement of any other property right, including damages, injunctions, orders for an account of profits, orders for erasure or destruction and orders for delivery up of the counterfeit goods (Sections 31 and 35).

Therefore, the registered proprietor and/or its exclusive licensee may seek a permanent or interlocutory injunction banning the import and sale of the counterfeit goods, and an order for destruction or delivery up of the infringing goods by the defendant.

The Trademarks Act also gives rights to licensees. Subject to the provisions of the licence and registration, an exclusive licensee may bring infringement proceedings in its own name against anyone other than the proprietor (Section 29). A non-exclusive licensee, subject to the provisions of the licence and registration, may call on the registered proprietor to institute infringement proceedings in respect of any matter which affects its interests. If the proprietor fails to institute proceedings within two months of being called upon, the licensee may institute proceedings in its own name (Section 34).

In proceedings against counterfeiting activities, reliance can also be placed on Section 37(1) of the Fair Competition Act, which states that "a person shall not, in pursuance of trade and for the purpose of promoting, directly or indirectly, the supply or use of goods or services or for the purpose of promoting, directly or indirectly, any business interest by any means – (a) make a representation to the public that is false or misleading in a material respect".

Under this section, it is an offence to make false or misleading representations to the public in the course of trade, including a representation that the goods or services are supplied by any particular person. The mark constituting the representation need not be registered. Breaches of the Fair Competition Act give rise to criminal and civil penalties. A criminal complaint may be instituted by lodging a complaint with the Fair Trading Commission. If the court is satisfied that the Fair Competition Act has been breached, it may levy a pecuniary penalty and/or issue an injunction restraining the guilty party from engaging in the offending conduct.

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Section 48 of the act also allows anyone that has suffered loss as a result of the conduct to seek an order for damages.

Civil remedies for counterfeiting activities correspond to those available for the infringement of a registered trademark, being mainly:

- an injunction;
- an order for the delivery up for destruction or for the obliteration of any goods already marked with the deceptive names; and
- either an inquiry as to damages in respect of past interferences with the complainant's rights or an account of the profits made from the sale of goods under the deceptive names.

A party seeking any civil remedy does so by filing a claim setting out the infringement that is alleged, the facts on which the claim is based and the remedies sought. These remedies may include a permanent or final injunction, or any of those mentioned above. The remedies of injunction and delivery up of goods may be sought as interim remedies until the claim for infringement is heard (usually so as to preserve evidence or the status quo, or to prevent further irreparable harm to the claimant), by making an application to a judge in chambers. This may be done even before a claim is filed and may be made without notice to the defendant or other affected parties.

Unregistered trademarks

The proprietor of a well-known mark in Jamaica who is a citizen of, is resident in or has a business place in any country that is a signatory to the Paris Convention for the Protection of Industrial Property of March 20 1883 may restrain by injunction the use in Jamaica of a trademark which is identical or similar to its mark in relation to identical or similar goods or services, where the use of the mark is likely to cause confusion, notwithstanding its non-registration in

Jamaica (Sections 48 and 49 of the Trademarks Act).

Passing off

The proprietors of both registered and unregistered marks can take advantage of the law of passing off, as it is expressly preserved by Section 4(3) of the Trademarks Act. According to WVH Rogers in the 15th edition of *Winfield and Jolowicz on Tort* (page 667), the cause of action arose in the 19th century and follows the simple principle no one may sell goods or services under the pretence that they are those of another. (The author cites *Perry v Truefitt* (1842) 6 Beav 66 and *Spalding & Bros AW Gamage Ltd* (1915) 84 LJ Ch 449.)

While trademark registration gives the proprietor monopoly rights from the date of registration, the claimant in a passing-off action must prove, among other things, that it has substantial goodwill in the mark (*Marcus Publishing plc v Hutton-Wild Communications Ltd* [1990] RPC 576). In addition, the claimant must show that:

- there was a misrepresentation;
- it was made by a trader in the course of trade to prospective customers or ultimate consumers;
- the misrepresentation was calculated to injure the business or goodwill of another trader (in the sense that such injury is a reasonably foreseeable consequence of such misrepresentation); and
- the misrepresentation has caused or is threatening to cause actual damage to the business or goodwill of the trader that is bringing the passing off action (*Erwen Warnick BV v J Townend & Sons (Hull) Ltd* [1979] AC 731 at 742, *per* Lord Diplock and quoted by Lord Jauncey in *Reckitt & Colman Products Ltd v Borden Inc* [1990] 1 WLR 491 at 511).

The usual remedies of injunction, damages and account of profits are available to a successful claimant.

Anti-counterfeiting online

There is no legislative provision applying specifically to counterfeiting online. However, the infringement options under statute and the law of passing off apply equally to internet sales of counterfeit goods as they do to conventional sales.

Preventive measures/strategies

The Revenue Protection Division and the Contraband Enforcement Team of the Jamaica Customs Department, together with the Organized Crime Investigation Bureau of the Jamaica Constabulary Force and various private investigators, are available to assist trademark proprietors in dealing with counterfeit products on the Jamaican market.

The owners of registered trademarks can also take advantage of the licensing provisions under the Trademarks Act. A licence to use a registered trademark may be general or limited. The licence may be limited to some, but not all of the products for which the mark is registered; it may further restrict the use of the trademark in a particular manner or in respect of a particular locality (Section 28). Unless otherwise agreed by the parties, registration of the licence allows the exclusive licensee to institute infringement proceedings in its own name while maintaining the rights and remedies of the proprietor (Section 29). Where a licence is not registered within six months of the date of creation and the infringer does not have actual notice of the licence, the licensee shall not be entitled to any damages or an account of profits in respect of any infringement occurring before registration. Moreover, the licensee cannot bring any infringement proceedings until the licence has been registered (Section 30). [WTR](#)

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