

Intellectual Property

The Patent (Amendment) Act 2022 Comes into Force in Malaysia

On 18 March 2022, the **Patent (Amendment) Act 2022** [Act A1649] (“Amending Act”) came into force in Malaysia. This Amending Act brings about a significant revamp of the **Patents Act 1983**. However, there are several sections and paragraphs within the Amending Act that will only come into operation later.

The operation of the Amending Act coincides with the coming into force of the Regional Comprehensive Economic Partnership (“RCEP”) agreement in Malaysia. Part of the conditions for signing up to the RCEP required ratifying nations to strengthen their laws and regulations on intellectual property (“IP”) rights.

This Amending Act is the result of Malaysia’s endeavour to bring the country’s patents law up to date. Other IP-related laws that have undergone amendments because of Malaysia’s ratification of RCEP are the **Copyright (Amendment) Act 2022** and the **Geographical Indications Act 2022**.

New Provisions in the Patent (Amendment) Act 2022

Whilst the Amending Act brings about an almost comprehensive revamp of the **Patents Act 1983**, here are three of the numerous new provisions that are of particular interest.

(i) Accension to Budapest Treaty

In accordance with the Budapest Treaty, which governs the deposit of microorganisms, the Amending Act allows for a patent applicant to deposit a sample of a microorganism with a National or International Depository Authority when filing a patent application.

(ii) Third Party Observation

The Amending Act now allows third parties to make observations on the patentability of a patent application.

Legal Updates

MARCH 2022

Shearn Delamore & Co
7th Floor

Wisma Hamzah Kwong-Hing,
No 1, Leboh Ampang
50100, Kuala Lumpur, Malaysia

T: 603 2027 2727

F: 603 2078 5625

info@shearndelamore.com

www.shearndelamore.com

www.linkedin.com/company/shearn-delamore-&-co

(iii) Opposition Proceedings

Under the Amending Act, any interested person may commence opposition proceedings against the owner of a granted patent. A decision will then be made by the Registrar on whether to maintain the patent as it is, to maintain the patent with amendments, or to invalidate the patent.

It should be noted that while the Amending Act came into force on 18 March 2022, several sections and paragraphs of the Act will only come into operation at a yet-to-be appointed date.

Potential to Increase Patenting

The Amending Act not only brings Malaysia's patents laws to relatively conformity with other RCEP nations, but it also provides a long-awaited makeover of the **Patents Act 1983**. It has the potential to invigorate the patent landscape in Malaysia, especially in terms of empowering parties to protect their rights to their inventions and enforcing those rights.

Masitu Marketing (M) Sdn Bhd v Masfoam Engineering Sdn Bhd [2021] 1 LNS 72

In this case, the plaintiff ("Masitu") filed a claim against the defendants ("Masfoam") for trademark infringement of the "MASFOAM" trademark and for passing off Masfoam's products as those of Masitu's.

Masitu had been manufacturing, distributing, selling and/or offering for sale foam products under the "MASFOAM" trademark since 2001. The term "MASFOAM" was invented by Masitu, coined by combining the prefix "Mas" in their trade name "Masitu" to the word "foam".

Sometime in 2019, Masfoam was found to be selling similar products bearing an identical and/or confusingly similar trademark to Masitu's "MASFOAM" trademark, thereby leading to the instant action by Masitu.

Masfoam relied on several defences under section 40(1)(a) of the **Trade Marks Act 1976**, including the use in good faith and the doctrine of own name.

The Court, having heard and seen the evidence from both parties, decided that there was infringement and passing off. The Court held that the term “MASFOAM” was not the name of a person, despite the first defendant’s name being “Masfoam Engineering Sdn Bhd”, and consequently, the use of “MASFOAM” by Masfoam does not qualify them to the defence of “*use by a person of his own name*”.

Further, the second and third defendants had admitted having knowledge of “MASFOAM” before incorporating the first defendant, thus negating the averment that “MASFOAM” was a word invented by them. Consequently, the defence of use in good faith by Masfoam had also failed.

CONTACT US FOR FURTHER INFORMATION REGARDING INTELLECTUAL PROPERTY MATTERS.

Tax & Revenue

Income tax

The following technical guideline has recently been published on the Inland Revenue Board's official website:

- [Garis Panduan Layanan Cukai Ke Atas Pendapatan Pengamal Perubatan \(Doktor Pakar\) Di Hospital Swasta Sama Ada Ditaksir Di Bawah Individu Atau Syarikat](#) (presently available in Malay language only) — issued on 16 March 2022.

CONTACT US FOR FURTHER INFORMATION REGARDING TAX & REVENUE MATTERS.

COPYRIGHT © 2022 SHEARN DELAMORE & CO. ALL RIGHTS RESERVED.

THIS UPDATE IS ISSUED FOR THE INFORMATION OF THE CLIENTS OF THE FIRM AND COVERS LEGAL ISSUES IN A GENERAL WAY. THE CONTENTS ARE NOT INTENDED TO CONSTITUTE ANY ADVICE ON ANY SPECIFIC MATTER AND SHOULD NOT BE RELIED UPON AS A SUBSTITUTE FOR DETAILED LEGAL ADVICE ON SPECIFIC MATTERS OR TRANSACTIONS.