

Chapter 82

Laws of Malaysia with Commentary

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I. INTRODUCTION

§ 82:1 In general

The intellectual property laws of Malaysia comprise five main statutes: the Trade Marks Act 1976, the Patents Act 1983, the Copyright Act 1987, the Industrial Designs Act 1996, and the Layout Design of Integrated Circuits Act 2000. The other areas of intellectual property which are governed by common law are the tort of passing off and breach of confidence. These are laws which either create or confer intellectual property rights on a person.

Additionally, the Trade Descriptions Act 2011 provides a means of enforcement of trade mark rights by way of administrative action by the Ministry of Domestic Trade, Consumerism and Cooperatives.

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In compliance with the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs Agreement), numerous amendments have been made to the existing statutes on patents, trade marks, copyright and industrial designs to meet the minimum standards set in TRIPs.

Other laws ancillary to the intellectual property laws include a series of legislation termed “the Cyberlaws”, which comprise:

1. The Digital Signature Act 1997;
2. The Computer Crimes Act 1997; and
3. The Telemedicines Act 1997.

The Copyright (Amendment) Act 1997 also forms part of the Cyberlaws with emphasis on copyright issues in relation to computer programs. The Communications and Multimedia Act 1998 was enacted to regulate the telecommunications industry, which also extends to online business activities in Malaysia. The Optical Discs Act 2000 came into force on 15 September 2000, enhancing the effectiveness of curbing optical disc piracy by the government. A synopsis of each core statute-based intellectual property law in Malaysia is provided herein.

§ 82:2 Trade Marks Act of 1976

The Trade Marks Act provides for the registration of trade and service marks, categorized according to 45 classes. The duration of each registration is 10 years, and it is renewable for further periods of 10 years each. On 1 August 2001, the Trade Marks (Amendment) Act 2000 abolished the separate Registers.

To qualify for registration, a mark shall contain or consist of at least one of the following particulars:

- (a) the name of an individual, company or firm represented in a special or particular manner;
- (b) the signature of the applicant for registration or of some predecessor in his business;
- (c) an invented word or words;
- (d) a word having no direct reference to the character or quality of the goods or services not being, according to its ordinary meaning, a geographical name or surname; or
- (e) any other distinctive mark.

Registration confers on the proprietor exclusive rights of use of the mark subject to any conditions, amendments, modifications or limitations entered in the Register. To avoid any uncertainties vis-à-vis use of the mark that may be subject to challenge in future, it is further advisable for licensees to be recorded as registered users of the mark in instances where the registered proprietor does not use the mark itself.

A registered trade mark is infringed if a party, without the authorization of the registered proprietor, uses a mark which is identical

with it or so nearly resembling it as to deceive or cause confusion in the course of trade in respect of the goods or services registered so as to render the use of the mark likely to be taken either as being use as a trade mark or as importing a reference to a person having the right either as registered proprietor or as registered user to use the said mark.

The Trade Marks Act has been further amended so as to provide for “well-known” trade marks, expedited examination of trade marks, and border measures.

§ 82:3 Patents Act of 1983

The Patents Act provides for the registration of an invention which is new, involves an inventive step, and is capable of industrial application. An invention may relate to a product or process but specifically excludes, *inter alia*, discoveries, scientific theories, mathematical methods, plant or animal varieties, schemes, rules or methods for doing business, performing purely mental acts or playing games, and methods for the treatment of human or animal body by surgery or therapy.

The term of a patent was 15 years from the date of grant. However, under the Patents (Amendment) Act 2000, the period of grant is 20 years from the date of filing of the patent application. In Malaysia, there also is a provision for utility innovation in which only one claim may be made and a utility innovation need only satisfy the test of novelty to qualify for registration. Compulsory licensing is inapplicable to a utility innovation, and the statutory limitation period for bringing an action is shorter, that is, two years from the date of infringement, as compared to a patent, which is five years from the infringing act.

The Patents Act confers on the patent owner a monopoly to exploit the protected invention, and a patent is infringed by a party who, without the authorization of the owner, performs any of the acts under the exclusive control of the patent owner. These exclusive rights include making, importing, offering for sale, selling, or using the patented product or process.

Under the Patents (Amendment) Act 2000, a further exclusion from patentability has been added, that is, an invention which is an affront to morality. Parallel importation is expressly permitted, but stricter requirements for obtaining a compulsory license will be imposed.

§ 82:4 Copyright Act of 1987

The main governing legislation for copyright law in Malaysia is the Copyright Act 1987 (Copyright Act), which came into force on 1 December 1987, replacing the earlier Copyright Act 1969. The law has undergone various significant updates since then, with amendments

to the Act taking effect in 1990, 1999, 2000 and 2003 and most recently in 2012.

Malaysia became a signatory to the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention) in 1990. Pursuant to it, the Copyright (Application to other Countries) Regulations 1990 were made and came into force on 1 October 1990, the day Malaysia acceded to the Berne Convention. Malaysia is also a party to the Agreement on Trade-Related Aspects of Intellectual Property Rights 1994 (TRIPs Agreement).

Malaysia joined the WIPO Copyright Treaty (WCT) and WIPO Performances and Phonograms Treaty (WPPT) effective 27 December 2012.

There is no system of registration for copyright works although the Copyright (Amendment) Act 2012 (which came into force on 1 March 2012) provides for the voluntary notification of copyright. Copyright subsists in a literary, musical, or artistic work where sufficient effort has been expended to make the work original in character and the work has been reduced to material form. Copyright protection also extends to “secondary works”, such as film, sound recording, broadcasts, and derivative works, such as translations and compilation of works or data. The Copyright (Amendment) Act 2000, which took effect on 15 August 2000, also introduced performers’ rights in Malaysia. As such, copyright protection now also canvasses live performance.

The duration of copyright is generally the life of the author and 50 years thereafter. For secondary works, the period of 50 years is computed either from the first publication of the work or, if unpublished, from the beginning of the calendar year following the year of its fixation.

A copyright owner enjoys exclusivity in the reproduction of the work in any material form, communication, performance, showing or playing of the work to the public, distribution of copies to the public by sale or other transfer of ownership, and commercial rental to the public. Copyright infringement is committed if a party performs any of those acts without the permission or authorization of the copyright owner.

The Copyright Act further prescribes criminal offenses for, among others, the manufacture, sale, offer for sale, hire, distribution, possession, and importation of infringing copies. This is enforced either by the police or the Enforcement Division of the Ministry of Domestic Trade, **Cooperatives and Consumerism**.

The Copyright (Amendment) Act 2012 also introduced new Anti-camcording provisions which prohibits the recording of films with a camcorder in a screening room.

Other amendments made, include the liabilities of ISPs whereby a copyright owner whose work has been infringed is to notify the ISP in a manner as prescribed under the Act, requiring the ISP to remove or

disable any access to the electronic copy on the ISP's network. The notice must include an undertaking to compensate the ISP against any damages, loss or liability arising from the compliance by the ISP of such notification. The ISP is required to remove the infringing electronic copy on its network within 48 hours after receiving the notification.

§ 82:5 Industrial Designs Act of 1996

The Industrial Designs Act provides for the registration of an industrial design which is defined as features of shape, configuration, pattern or ornament applied to an article by any industrial process or means, being features which the finished article appeal to and are judged by the eye. The industrial design also must be new, i.e., an industrial design shall not be considered as new if it has been disclosed to the public anywhere in Malaysia or elsewhere, before its priority date or have been the subject of another industrial design application with an earlier filing date.

The period of registration of an industrial design may now be extended for four further consecutive terms of five years each after the initial five-year term as opposed to only two further consecutive five-year terms under the Act prior to the amendments which came into force in July 2013. This shall also apply to any design that has been registered under the Industrial Designs Act 1996 before 1st July 2013 (except for designs registered in the United Kingdom before 1st September 1999 and which are subject to the repeal and saving provision of section 49 of the Industrial Designs Act 1996).

The proprietor of a registered design enjoys the exclusive right to make or import for sale or hire or for use for the purposes of any trade or business any article to which the registered design has been applied. A design is infringed by a person who commits any of the aforesaid acts without the permission and authorization of the owner.

A registered industrial design may be the subject of a security interest in the same way as other personal or movable property. Any rights in the registered design may be enforced in like manner as in respect of any other personal or movable property.

An assignment or transmission or other operation of law in respect of a registered design or an industrial design application shall not have effect against third parties unless recorded in the Industrial Designs Register.

In an infringement proceeding, the Court shall refuse to award costs to the owner of a registered design who becomes entitled to the design by way of an assignment or transmission or by operation of law or by a security interest transfer unless: (a) an application to record his title or interest in the Industrial Designs Register is made before the end of the period of six months beginning from the date of the relevant transaction; or (b) the court is satisfied that an application to record his interest was made as soon as practicable.

§ 82:6 Layout-Design of Integrated Circuits Act of 2000

The Layout-Design of Integrated Circuits Act came into force on 15 August 2000, and it creates a *sui generis* protection for layout designs. There is no requirement for formal approval or registration. Protection is accorded to a layout design which is original, i.e., the result of the creator's own intellectual effort, and which is not commonplace among creators of layout designs and manufacturers of integrated circuits.

A layout design encompasses the three-dimensional disposition, however expressed, of the elements of an integrated circuit and some or all of the interconnections of the integrated circuit or such a three-dimensional disposition prepared for an integrated circuit intended for manufacture. The duration for protection of a layout design is 10 years from the first commercial exploitation in Malaysia or elsewhere or 15 years from the date of the creation of the design, whichever is shorter.

The owner of a layout design enjoys the right to reproduce and to authorize the reproduction of all or a substantial part of the layout design, whether by incorporation into the integrated circuit or otherwise and to commercially exploit and to authorize such commercial exploitation of the layout design, an integrated circuit in which the protected layout design is incorporated, or an article that contains an integrated circuit in which the layout design is incorporated. An infringement occurs if a person performs any of the aforesaid acts without the authorization of the owner.

II. STATUTORY TEXT**§ 82:7 Copyright Act 1987 (Act Number 332)****COMMENTARY**

The present Copyright Act came into force on 1 December 1987, replacing the earlier Copyright Act 1969, which had earlier replaced and repealed the following Acts:

1. The Copyright Enactment;
2. The Copyright Ordinance;
3. The Telegram Copyright Ordinance; and
4. The Telegram Copyright Enactment.

The Copyright Act has since been amended seven times. The Copyright (Amendment) Act 1990, which came into force on 1 October 1990, was necessary to bring Malaysia in line with her international obligations pursuant to her accession to the Berne Convention. The Copyright (Amendment) Act 1996 came into force on 1 September 1999 and basically reduced the role of copyright in relation to industrial products while strengthening the role of the Copyright Tribunal generally. The Copyright (Amendment) Act 1997 came into force on 1 April 1999. It was enacted to introduce some of the more important provisions of the World Intellectual Property Organization (WIPO) Copyright Treaty 1996.

It is to be noted that Malaysia has not acceded to the Treaty, but the amendments were nevertheless made to ensure that legal protection is extended to certain works related to technological development. The

establishment of the Multimedia Super Corridor has in no uncertain terms provided the impetus for this piece of legislation. The Copyright (Amendment) Act 2000, came into force on 15 August 2000, and it was geared towards full implementation of the TRIPS Agreement. The main addition made thereunder was the protection of performers' rights. To supplement the provisions of the Act, the following Regulations and Orders have also been promulgated under certain provisions of the Act:

1. The Copyright (License to Produce and Publish in the National Language a Translation of a Literary Work) Regulations 1987;
2. The Copyright (Notice of Prohibition of Import Regulations) 1987;
3. The Copyright (Governmental Organizations and International Bodies) Order 1987;
4. The Copyright (Public Libraries and Educational, Scientific, or Professional Instruction) Order 1987; and
5. The Copyright (Application to Other Countries) Regulation 1990.

Malaysia is a signatory of the following international conventions:

1. The Berne Convention for the Protection of Literary and Artistic Works as of 1 October 1990; and
2. The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) by virtue of being a member of the World Trade Organization (WTO).

Part I is the preliminary section dealing with the interpretation and applicability of the Copyright Act. Part II contains general provisions in relation to the subsistence of copyright. Part III sets forth the nature and duration of copyright and performers' rights. Part IV concerns ownership and transfer issues. Part IVA contains specific provisions in regards to licensing schemes as operated by licensing bodies. Part V establishes the Copyright Tribunal and outlines the Tribunal's powers. Part VI deals with infringements and the civil and criminal remedies available. Part VII embodies the criminal powers of enforcement and lays down the powers of the Enforcement Officers on entry, search, seizure, and general powers of investigation of copyright offenses. Part VIII is the penultimate section dealing with miscellaneous matters not dealt with anywhere else in the Copyright Act.

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An Act to make better provisions in the law relating to copyright and for other matters connected therewith.

[1 December 1987 *vide* PU(B) 586/87]

Be it enacted by the Duli Yang Maha Mula Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

PART I PRELIMINARY

Section 1. Short title, application, and commencement

(1) This Act may be cited as the Copyright Act 1987 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint, and different dates may be appointed for the coming into force of different provisions of the Act.

(2) This Act shall apply throughout Malaysia.

COMMENTARY

The Act came into force on 1 December 1987 *vide* PU (B) 586/87.

***Gazette* means the *Official Gazette* of the Federation**

. . .

Section 2. Extent of application

(1) Subject to this section and section 59A and regulations made under section 59A, the Act shall apply in relation to works made before the commencement of the Act as it applies in relation to works made after the commencement of the Act:

Provided that this section shall not be construed as reviving any copyrights which had expired before the commencement of the Act.

(2) Where only by virtue of subsection (1) copyright subsists in works that were made before the commencement of the Act, nothing

done before the commencement of the Act shall be taken to constitute an infringement of those copyrights.

(3) For the purposes of this section, a work the making of which extended over a period of time shall not be deemed to have been made before the commencement of the Act unless the making of the work was completed before such commencement.

COMMENTARY

Section 2 was amended by section 2 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987. By virtue of section 2, the Act is applicable to work made before its commencement, but it does not revive copyright which has expired. The word “made” is not defined, but it could mean when a work is reduced to material form.

. . .

Section 3. Interpretation

In the Act, unless the context otherwise requires —

– “adaptation” includes any of the following, that is to say —

(a) in relation to a literary work, a version of the work (whether in its original language or a different language) in which it is converted into a dramatic work;

(b) in relation to a dramatic work, a version of the work (whether in its original language or a different language) in which it is converted into a literary work;

(c) in relation to a literary or dramatic work —

(i) a translation of the work;

(ii) a version of the work in which the story or action is conveyed wholly or mainly by means of pictures in a form suitable for reproduction in a book or in a newspaper, magazine, or similar periodical;

(d) in relation to a literary work in the form of a computer program, a version of the work, whether or not in the language, code, or notation in which the work was originally expressed, not being a reproduction of the work;

(e) in relation to a musical work, an arrangement or transcription of the work;

(f) in relation to a literary or artistic work, a version of the work (whether in its original language or a different language) in which it is converted into a film;

– “appointed date” has the same meaning as is assigned to that expression in the Intellectual Property Corporation of Malaysia Act 2002;

– “artistic work” means —

(a) a graphic work, photograph, sculpture, or collage, irrespective of artistic quality;

(b) a work of architecture being a building or a model for a building; or

- (c) a work of artistic craftsmanship,
but does not include a layout design within the meaning of the Layout Designs of Integrated Circuits Act 2000.
- “Assistant Controller” means the person appointed or deemed to have been appointed to be an Assistant Controller under subsection 5(2) or (3);
- “author”, —
- (a) in relation to literary works, means the writer or the maker of the works;
- (b) in relation to musical works, means the composer;
- (c) in relation to artistic works other than photographs, means the artist;
- (d) in relation to photographs, means the person by whom the arrangements for the taking of the photographs were undertaken;
- (e) in relation to films or sound recordings, means the person by whom the arrangements for the making of the film or recording were undertaken;
- (f) in relation to broadcasts transmitted from within any country, means —
- (i) the person transmitting the program, if he has responsibility for the selection of its contents; or
- (ii) any person providing the program who makes with the person transmitting it the arrangements necessary for its transmission;
- (g) in relation to any other cases, means the person by whom the work was made;
- “broadcast” means a transmission, by wire or wireless means, of visual images, sounds, or other information which —
- (a) is capable of being lawfully received by members of the public; or
- (b) is transmitted for presentation to members of the public, and includes the transmission of encrypted signals where the means for decrypting are provided to the public by the broadcasting service or with its consent
- “broadcasting service” means any service of radio or television broadcast, operated under the general direction and control of or under license by the government, in any part of Malaysia;
- “building” includes any fixed structure, and a part of a building or fixed structure;
- “citizen” includes a person who, if he had been alive on the relevant day, would have qualified for citizenship under the Federal Constitution;
- “communication by cable”—(Deleted)

“communication to the public” means the transmission of a work or live through wire or wireless means to the public, including the making available of a work performance to the public in such a way that members of the public may access the work performance from a place and at a time individually chosen by them;

“communication to the public”—(Deleted)

“computer program” means an expression, in any language, code, or notation, of a set of instructions (whether with or without related information) intended to cause a device having an information processing capability to perform a particular function either directly or after either or both of the following:

- (a) conversion to another language, code, or notation;
- (b) reproduction in a different material form;

– “Controller” means the Controller of Copyright, as designated in subsection 5(1);

– “Copy” means a reproduction of a work in written form, in the form of a recording or film, or in any other material form;

– “Copyright” means copyright under the Act;

– “Corporation” means the Intellectual Property Corporation of Malaysia established under the Intellectual Property Corporation of Malaysia Act 2002;

– “Deputy Controller” means the person appointed or deemed to have been appointed to be a Deputy Controller under subsection 5(2) or (3);

– “Derivative works” means the works mentioned in paragraphs 8(1)(a) and (b);

– “Educational institution” shall have the same meaning as assigned to it in the Education Act 1961;

– “Film” means any fixation of a sequence of visual images on material of any description, whether translucent or not, so as to be capable by use of that material with or without any assistance of any contrivance —

(a) of being shown as a moving picture; or

(b) of being recorded on other material, whether translucent or not by the use of which it can be so shown,
and includes the sounds embodied in any sound-track associated with a film;

– “Fixation” means the embodiment of sounds, images, or both, or the representation thereof in a material form sufficiently permanent or stable to permit them to be perceived, reproduced, or otherwise communicated during a period of more than transitory duration by using a device;

– “Future copyright” means copyright which will or may come into existence in respect of any future works or class of works or

other subject matter, or on the coming into operation of any provision of the Act, or in any future event;

– “Government” means the Government of Malaysia or the Government of any State;

– “Graphic work” includes —

(a) any painting, drawing, diagram, map, chart, or plan; and

(b) any engraving, etching, lithograph, woodcut, or similar work;

– “Infringing copy” —

(a) in relation to copyright, means any reproduction of any work eligible for copyright under the Act, the making of which constitutes an infringement of the copyright in the work or, in the case of any article imported into Malaysia without the consent of the owner of the copyright, the making of which was carried out without the consent of the owner of the copyright;

(b) in relation to performers’ right, means any reproduction of any recording of a live performance the making of which constitutes an infringement of the performers’ right or, in the case of any recording imported into Malaysia without the consent of the performer, the making of which was carried out without the consent of the performer;

– “Licence” means a lawfully granted license in writing, permitting the doing of an act controlled by copyright;

– “Licensing body” means a society or organization which is declared as a licensing body under section 27A;

– “Licensing scheme” means a scheme (including anything in the nature of a scheme, whether described as a scheme or as a tariff or by any other name) setting out —

(a) the classes of case in which the operator of the scheme, or the person on whose behalf he acts, is willing to grant copyright licenses; and

(b) the terms on which licenses would be granted in those classes of case;

– “Literary work” includes —

(a) novels, stories, books, pamphlets, manuscripts, poetical works, and other writings;

(b) plays, dramas, stage directions, film scenarios, broadcasting scripts, choreographic works, and pantomimes;

(c) treaties, histories, biographies, essays, and articles;

(d) encyclopedias, dictionaries, and other works of reference;

(e) letters, reports, and memoranda;

(f) lectures, addresses, sermons, and other works of the same nature;

(g) tables or compilations, whether or not expressed in words, figures, or symbols and whether or not in a visible form; and

(h) computer programs;

but does not include official texts of the government or statutory bodies of a legislative or regulatory nature, or judicial decisions, or political speeches and political debates, or speeches delivered in the course of legal proceedings, and the official translation thereof;

– “Manuscript”, in relation to a work, means the original document embodying the work, whether written by hand or not;

– “Material form”, in relation to a work or a derivative work, includes any form (whether visible or not) of storage from which the work or derivative work, or a substantial part of the work or derivative work, can be reproduced;

– “Minister” means, for the time being, charged with the responsibility for intellectual property;

– “Musical work” means any musical work, and includes works composed for musical accompaniment;

“Performance”—

(a) includes —

(i) a performance of a dramatic work, or part of such a work, including such a performance given with the use of puppets, or the performance of an improvised dramatic work;

(ii) a performance of a musical work or part of such a work, or the performance of an improvised musical work;

(iii) the reading, recitation, or delivery of a literary work, or part of such a work, or the reading, recitation, or delivery of an improvised literary work;

(iv) a performance of a dance;

(v) a performance of a circus act or a variety act or any similar presentation or show; or

(vi) a performance in relation to expressions of folklore, which is given live by one or more persons in Malaysia, whether in the presence of an audience or otherwise; but

(b) does not include—

(i) any reading, recital, or delivery of any item of news or information;

(ii) any performance of a sporting activity; or

(iii) a participation in a performance by a member of an audience

– “Performer” means an actor, singer, musician, dancer or any other person who acts, sings, delivers, declaims, plays in, interprets, or otherwise performs a performance;

– “Performers’ right” means the performers’ right under this Act;

- “Photograph” means a recording of light or other radiation on any medium on which an image is produced or from which an image may by any means be produced, and which is not part of a film;
- “Premises” means any place, stationary or otherwise, established or set up by any person, whether such place is with or without enclosure, and also includes vehicles, aircraft, ships, and any other vessel;
- “Qualified person” —
 - (a) in relation to an individual, means a person who is a citizen of, or a permanent resident in, Malaysia; and
 - (b) in relation to a body corporate, means a body corporate established in Malaysia and constituted or vested with legal personality under the laws of Malaysia;
- “Rebroadcast” means a simultaneous or subsequent broadcast by one broadcasting service of the broadcast of another broadcasting service, whether situated in Malaysia or abroad, and includes diffusion of such broadcast over wires; and “Rebroadcasting” shall be construed accordingly;
- “Recording” means a sound recording or film, other than a recording made under subsection (3) of section 16A;
- “Relevant day” means Merdeka Day in respect of West Malaysia and Malaysia Day in respect of Sabah, Sarawak, and the Federal Territory of Labuan;
- “Reproduction” means the making of one or more copies of a work in any form or version, and in relation to an artistic work includes the making of a copy in three dimensions of a two-dimensional work and the making of a copy in two dimensions of a three-dimensional work, and “Reproducing” shall be construed accordingly;
- “Sculpture” includes a cast or model made for the purposes of a sculpture;
- “Sound recording” means any fixation of a sequence of sounds or a representation of sounds capable of being perceived aurally and of being reproduced by any means, but does not include a sound-track associated with a film;
- “Technological protection measure” means any technology, device or component that, in the normal course of its operation, effectively prevents or limits the doing of any act that results in an infringement of the copyright in a work;
- “Tribunal” means the Copyright Tribunal established under section 28; and
- “Work of joint authorship” means a work produced by the collaboration of two or more authors in which the contribution of each author is not separable from the contribution of the other author or authors.

COMMENTARY

The Copyright (Amendment) Act 1996 (Act A952) came into force on 1 September 1999 amending the definition of “artistic work”, building, graphic work, licensing body, licensing scheme, literary work, photograph, and sculpture. The Copyright (Amendment) Act 1997 (Act A994) came into force on 1 April 1999 amending the definitions of broadcast and communication to the public. The Copyright Act provides that in order for a work to enjoy copyright protection in Malaysia, the author must be a qualified person. Section 3 defines a ‘qualified person’ as a citizen of, or permanent resident in Malaysia, or a body corporate established in Malaysia and constituted or vested with legal personality under the laws of Malaysia.

The definition of “derivative work” was inserted by section 3(c) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

The definition of “artistic work” in the Amendment Act has been revised to include the words “irrespective of artistic quality”. These words were not found in the definition of “artistic work” in the said Act but in section 7(2) of the said Act, which stipulates that “Works shall be protected irrespective of their quality and the purpose for which they were created”. In *Peko v. Wallsend* (1993 1 MLJ 225), the High Court, relying on the omission of the word “artistic” from the word “quality”, interpreted the qualifying phrase to mean, in relation to artistic works that all artistic works were protected, regardless of their quality, i.e., such works need not possess any aesthetic quality.

However, the revised definition of “artistic work”, although much reduced, includes “a graphic work”, but it excludes three-dimensional works of paintings, drawings, etchings, lithographs, woodcuts, engravings and prints, and three-dimensional works related to geography, topography, architecture, and science. It is not possible to protect layout-designs as copyright. Instead these are protected through the Layout-Designs of Integrated Circuits Act 2000.

The redefinition of “artistic work” by the Amendment Act would preclude a functional article based on drawings from being protected by copyright either on the basis of it being a three-dimensional reproduction of the drawings or as an original artistic work in itself. However, by virtue of section 12 of the Copyright (Amendment) Act 1996 (Act A952), works in which copyright subsisted prior to 1 September 1999 would not be affected by this amendment.

Copyright extends to both the source and object code of a computer program, including “a set of instructions which is embedded into an integrated circuit”.

The definitions of “Minister” and “Controller” were amended by the Copyright (Amendment) Act 2002 (Act A1139) section 2(a) and (b) respectively which came into force on 3 March 2003.

The definitions of “appointed date,” “Assistant Controller,” “Corporation” and “Deputy Controller” were inserted by the Copyright (Amendment) Act 2002 (Act A1139) section 2(c), (d), (e) and (f) respectively.

The definition of “premises” was amended by the Copyright (Amendment) Act 2003 (Act A1195) section 2 which came into force on 1 October 2003.

The definitions of “licensing body,” “literary work,” “performer” and “fixation” were amended by the Copyright (Amendment) Act 2012 (Act A1420) sections 3(a), (b), (d) and (e) which came into force on 1 March 2012.

The definition of ‘technological protection measure’ was inserted by the Copyright (Amendment) Act 2012 (Act A1429) section 3(c) which came into force on 1 March 2012.

. . .

Section 4. Publication

- (1) Subject to this section, for the purposes of the Act —

(a) a literary, musical, or artistic work, or an edition of such a work, shall be deemed to have been published only if a copy or copies of the work have been made available with the consent of the author or of any person lawfully claiming under the author in a manner sufficient to satisfy the reasonable requirements of the public, whether by sale or otherwise;

(b) a film shall be deemed to have been published only if a copy or copies of the film have been sold, let on hire, or offered or exposed for sale or hire, with the consent of the author or of any person lawfully claiming under the author in a manner sufficient to satisfy the reasonable requirements of the public;

(c) a sound recording shall be deemed to have been published only if a copy or copies of such sound recording have been made available with the consent of the author or of any person lawfully claiming under the author in a manner sufficient to satisfy the reasonable requirements of the public; and

(d) a fixed performance shall be deemed to have been published only if a copy or copies of the fixed live performance have been made available with the consent of the performer in a manner sufficient to satisfy the reasonable requirements to the public.

(2) For the purposes of the Act, the performance of a literary or musical work and the exhibition of an artistic work does not constitute publication of the work.

(3) For the purposes of the Act, a publication shall be deemed to be a first publication in Malaysia if —

(a) the work or live performance was first published in Malaysia and not elsewhere; or

(b) the work or live performance was first published elsewhere but published in Malaysia within 30 days of such publication elsewhere.

(4) Where, in the first instance, a part only of a work or live performance is published, that part shall be treated for the purposes of the Act as a separate work or live performance.

COMMENTARY

The work must be first published in Malaysia, i.e., the work is considered first published in Malaysia, if made available to the public in Malaysia. A work also is deemed to be first published in Malaysia if it was published elsewhere (in a non-Berne Convention country) but published in Malaysia within 30 days of first publication in that country.

It should be noted that, as of 1 October 1990, by virtue of the Copyright (Application to Other Countries) Regulations 1990, all works first published in any of the countries specified in the Berne Convention also will be entitled to copyright protection in Malaysia. In this instance, there is no necessity for the works to be subsequently published in Malaysia. Furthermore, works first published in a non-Berne Union country, but the author of which is a citizen or resident of a Berne Convention country at the time of publication, would enjoy copyright protection in Malaysia.

Whether a piece of work had been made available in a manner sufficient to satisfy the reasonable requirements of the public is a question of fact.

The insertion is subsection (1)(d) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 4 which came into force on 1 March 2012.

Section 5. Controller, Deputy Controllers and Assistant Controllers.

(1) The Director General of the Corporation shall be the Controller of Copyright.

(2) The Minister may appoint, on such terms and conditions as the Minister may determine, from amongst any public officers and persons in the employment of the Corporation, such number of Deputy Controllers of Copyright, Assistant Controllers of Copyright and other officers as may be necessary for the proper administration of this Act, and may revoke the appointment of any person so appointed or deemed to have been so appointed under subsection (3).

(3) The person holding office as Deputy Controllers, Assistant Controllers and other officers under this Act before the appointed date shall on the appointed date be deemed to have been appointed as Deputy Controllers, Assistant Controllers and such other officers under subsection (2).

(4) Subject to the general direction and control of the Controller and to such conditions or restrictions as may be imposed by the Controller and subject to section 41A, a Deputy Controller or an Assistant Controller may exercise any function of the Controller under this Act, and anything by this Act appointed or authorized or required to be done or signed by the Controller may be done or signed by any Deputy Controller or Assistant Controller and the act or signature of a Deputy Controller or an Assistant Controller shall be as valid and effectual as if done or signed by the Controller.

(5) The Controller or Deputy Controller may perform all the duties imposed and exercised all the powers conferred on an Assistant Controller under this Act.

COMMENTARY

Section 5 of this Act was amended by the Copyright (Amendment) Act 2002 (Act A1139) section 3 which came into force on 3 March 2002.

Subsequent amendment to section 5 of this Act was made by Copyright (Amendment) Act 2012 (Act A1420) section 5(a) which came into force on 1 March 2012 by substituting the original words of "The Corporation" the words "the Minister." The insertion of subsection (5) was also made by the Copyright (Amendment) Act 2012 (Act A1420) section 5(b).

According to the Intellectual Property Corporation of Malaysia Act 2002 (Act 617), the Minister has the power to appoint the Director General of the Corporation. By virtue of the amendment under the Copyright (Amendment) Act 2002 (Act A1139), the appointed Director General shall be the Controller of Copyright.

The amendment under the Copyright (Amendment) Act 2012 (Act A1420) gives power to the Minister to appoint Deputy Controllers of Copyright, Assistant Controllers and other officers as may be necessary from amongst any public servants as defined in section 21 of the Penal Code (Revised 1997) (Act 574) for the administration of the Copyright Act 1987 (Act 332).

PART II
GENERAL PROVISIONS

Section 6. No copyright except by virtue of the Act

Subject to the Act, no copyright shall subsist otherwise than by virtue of the Act.

COMMENTARY

The 1987 Act, as amended, constitutes the only source of law that deals with the issue of subsistence and protection of copyright in Malaysia.

. . .

Section 7. Works eligible for copyright

(1) Subject to this section, the following works shall be eligible for copyright:

- (a) literary works;
- (b) musical works;
- (c) artistic works;
- (d) films;
- (e) sound recordings; and
- (f) broadcasts.

(2) Works shall be protected irrespective of their quality and the purpose for which they were created.

(2A) Copyright protection shall not extend to any idea, procedure, method of operation, or mathematical concept as such.

(3) A literary, musical, or artistic work shall not be eligible for copyright unless —

- (a) sufficient effort has been expended to make the work original in character; and
- (b) the work has been written down, recorded, or otherwise reduced to material form.

(4) A work shall not be ineligible for copyright by reason only that the making of the work, or the doing of any act in relation to the work, involves an infringement of copyright in some other work.

(5) Copyright shall not subsist under the Act in any design which is registered under any written law relating to industrial design.

(6) (Deleted)

(7) For the purpose of this section, “any written law relating to industrial design” includes:

- (a) the United Kingdom Designs (Protection) Act 1949;
- (b) the United Kingdom Designs (Protection) Ordinance of Sabah; and
- (c) the Designs (United Kingdom) Ordinance of Sarawak.

COMMENTARY

Sections 7(1) and 7(2) of the Copyright Act collectively provide that the fol-

lowing works, irrespective of their quality and the purpose for which they were created, are eligible for copyright:

- literary works;
- musical works;
- artistic works;
- films;
- sound recordings; and
- broadcasts.

Section 7(3) further provides that any work falling within the first three categories shall only be eligible for copyright if sufficient effort has been expended to make the work original in character and the work has been written down, recorded or otherwise reduced to material form, as applied by the High Court in *Creative Purpose Sdn Bhd & Anor v Integrated Trans Corporation Sdn Bhd & Ors* [1997] 2 CLJ SUPP 107. It was further held by the High Court in *Megnaway Enterprise Sdn Bhd v Soon Lian Hock* [2009] 8 CLJ 130 that the degree of effort, skill or labour expended is inextricably linked to the originality of the work.

Subsection 2(A) was inserted by the Copyright (Amendment) Act 1997, w.e.f. 1 April 1999. Section 7(2A) specifically excludes ideas, procedures, methods of operation and mathematical concepts from copyright protection. The exclusion of ideas from protection was in issue in *Goodyear Tyre & Rubber Company & Anor. v Silverstone Tyre and Rubber Co. Sdn Bhd* 1 CLJ 509 where it was held by the High Court that copyright laws are not concerned with the reproduction of ideas, however original, but are concerned with reproduction of the forms in which the ideas are expressed; therefore the idea of the function of the tyre, as opposed to its artistic value, is not protected.

Section 7(4) provides that the making of a work, or the doing of any act in relation to the work, involving an infringement of copyright of some other work does not necessarily disqualify a work for protection. In *Goodyear Tyre & Rubber Company*, it was further held that there would be no infringement of copyright if it can be shown that a work which is precisely similar to another work was in fact produced independently from the other.

Subsections 5-7 were inserted by the Copyright (Amendment) Act 1996.

The Copyright (Amendment) Act 1996 came into force on 1 September 1999 simultaneously with the coming into operation of the Industrial Design Act 1996. The Copyright Act 1987 is in compliance with the Trade Related Aspects of Intellectual Property Rights (TRIPs) Agreement, and these amendments are aimed primarily at excluding wholly functional articles from the ambit of Copyright Protection and avoiding any overlapping of the protection for designs under copyright and registered design law. Purely functional designs capable of being registered as industrial designs are precluded from copyright protection.

In the definition of “literary work” in section 3 of the Copyright Act, “computer programs” have been listed in para (h) as an example of a literary work. Therefore by virtue of section 7(1) of the Act, computer program, being a literary work, is eligible for copyright. This is in compliance with article 10(1) of the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs). A computer program is eligible for copyright protection as a literary work if:

1. Sufficient effort has been expended on it to render the work original; and
2. The work is reduced to material form.

According to the definition in section 3 of the Act, “computer

program” is defined as “*an expression, in any language, code or notation, of a set of instructions (whether with or without related information) intended to cause a device having an information processing capability to perform a particular function either directly or after either or both of the following:*

- (a) *conversion to another language, code or notation;*
- (b) *reproduction in a different material form.”*

The deletion of subsection (6) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 6 which came into force on 1 March 2012.

. . .

Section 8. Derivative works

(1) The following derivative works are protected as original works:

- (a) translations, adaptations, arrangements, and other transformations of works eligible for copyright; and
- (b) collections of works eligible for copyright or compilation of mere data, whether in machine readable or other form, which constitute intellectual creation, by reason of the selection and arrangement of their contents.

(2) Protection of works referred to in subsection (1) shall be without prejudice to any protection of the existing works used.

COMMENTARY

The enactment of subsection (1)(a) and (b) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987, implements article 2(3) and (5) of the Berne Convention (1971).

There are two categories of derivative work under the 1987 Act. The first category includes translations, adaptations, arrangements, and other transformations of work. The second category comprises collection of pre-existing copyright works which are selected and arranged to produce an independent work. Such work is only protected if “intellectual creations” are involved in the selection and arrangements of the work. By this, the 1987 Act calls for creative effort in the selection and arrangement of the work. “Selection” denotes the choice of work to be used, and “arrangement” denotes the layout or presentation of the work.

The amendment in subsection (1) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 7 which came into force on 1 March 2012.

. . .

Section 9. Copyright in published editions of works

(1) Copyright shall subsist, subject to the provisions of the Act, in every published edition of any one or more literary, artistic, or musical work in the case of which either —

- (a) the first publication of the edition took place in Malaysia . . . ; or
- (b) the publisher of the edition was a qualified person at the date of the first publication thereof:

Provided that this subsection does not apply to an edition which reproduces the typographical arrangement of a previous edition of the same work or works.

(2) Subject to the provisions of the Act, the publisher of an edition shall be entitled to any copyright subsisting in the edition by virtue of this section.

(3) Subject to the provisions of the Act, the act restricted by the copyright subsisting by virtue of this section in an edition is the making of a reproduction of the typographical arrangement of the edition.

(4) Reproduction of the typographical arrangement of a published edition for any purpose including research, private study, criticism, review or the reporting of news or current events does not infringe the copyright subsisting by virtue of this section if such reproduction is compatible with fair dealing:

Provided that if such reproduction is made public it is accompanied by an acknowledgment of the title of the work and its authorship, except where the work is incidentally included in a broadcast.

(5) The Government, the National Archives, or any State Archives, the National Library, or any State library, or any public libraries and educational, scientific, or professional institutions as the Minister may by order prescribe, may reproduce the typographical arrangement of a published edition without infringing the copyright subsisting by virtue of this section if such reproduction is in the public interest and is compatible with fair dealing and the provisions of any regulations.

COMMENTARY

The words marked by the ellipsis in subsection (1)(a) were deleted by section 5(a) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

The words within the square brackets in subsection (3) were amended by section 5(b) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

Subsections (4) and (5) were inserted by section 5(c) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

Published editions of literary, artistic or musical works which do not consist of reproductions of typographical arrangements of previous editions may be, if the edition is first published in Malaysia or if the publisher of the edition was a qualified person at the date of first publication, eligible for copyright (section 9(1)).

Copyright does not subsist in an edition which reproduces the typographical arrangement of a previous edition of the same work or works. Thus, this “typeface” copyright also is protected, and section 9(3) of the 1987 Act provides that the exclusive right given to the owner, i.e., the publisher of an edition, is the right to control the reproduction of the typographical arrangement of the edition.

The amendment in subsection (4) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 8 which came into force on 1 March 2012.

. . .

Section 10. Qualification for protection

(1) Copyright shall subsist in every work eligible for copyright of which the author or, in the case of a work of joint authorship, any of the authors is, at the time when the work is made, a qualified person.

(2) Copyright also shall subsist in every work which is eligible for copyright and which —

(a) being a literary, musical, or artistic work or film or sound recording is first published in Malaysia;

(b) being a work of architecture is erected in Malaysia or, being any other artistic work, is incorporated in a building located in Malaysia;

(c) being a broadcast is transmitted from Malaysia.

(3) Notwithstanding subsections (1) and (2), copyright shall subsist, subject to the Act, in every work eligible for copyright if the work is made in Malaysia.

COMMENTARY

Section 10 prescribes three prerequisites for the subsistence of copyright. They are by reference to —

1. The author;
2. The first publication; and
3. Where the work was created.

The author or maker of the work or, in the case of a work of joint authorship, any of the authors must be a “qualified person” at the time when the work is made for copyright to subsist in the work.

A “qualified person”, in relation to an individual, is a citizen or a permanent resident in Malaysia; in relation to a body corporate, a body established in Malaysia, constituted and vested with legal personality.

. . .

Section 10A. Qualification for protection of performers

Performers’ right shall subsist in every live performances of which the performer is —

(a) a citizen or permanent resident of Malaysia; or

(b) not a citizen or permanent resident of Malaysia but whose performance —

(i) takes place in Malaysia;

(ii) is incorporated in sound recordings that are protected under this Act; or

(iii) has not been fixed in a sound recording but is included in a broadcast qualifying for protection under this Act.

COMMENTARY

The Copyright Amendment Act 2000 was enacted by the Malaysian Parliament in line with the obligations under the TRIPS Agreement with the principal aim of providing for the protection of performers’ rights. The Amendment Act came into force on 15 August 2000. A new section 10A was, therefore, inserted to provide for the protection of performers’ rights.

Section 11. Copyright in works of government, government organizations, and international bodies

(1) Copyright shall subsist in every work which is eligible for copyright and which is made by or under the direction or control of the government and such government organizations or international bodies as the Minister may by order prescribe.

(2) Section 10 shall not be taken to confer copyright on works to which the section applies.

COMMENTARY

Works which are made by or under the direction or control of the government and certain government organizations and international bodies also are protected.

By the power conferred by subsection (1), above, the Minister has promulgated the Copyright (Government Organization and International Bodies) Order 1987.

. . .

Section 12. Administration of Government copyright

Where the copyright in any work is vested in the government, the Ministry or Department concerned with the copyright shall be responsible for the administration and control of that copyright on behalf of the government:

Provided that the Ministry or Department concerned may authorize the Director of National Archives to administer and control that copyright on behalf of the government.

COMMENTARY

Section 12 provides for the administration of government copyright.

. . .

PART III

NATURE AND DURATION OF COPYRIGHT

Section 13. Nature of copyright in literary, musical, or artistic works, films, and sound recordings

(1) Copyright in a literary, musical, or artistic work, a film, or a sound recording or a derivative work shall be the exclusive right to control in Malaysia —

- (a) the reproduction in any material form;
- (aa) the communication to the public;
- (b) the performance, showing, or playing to the public;
- (c) . . .
- (d) . . .
- (e) the distribution of copies to the public by sale or other transfer of ownership; and
- (f) the commercial rental to the public,

of the whole work or a substantial part thereof, either in its original or derivative form provided that—

- (A) the exclusive right to control the distribution of copies refer only to the act of putting into circulation copies not previously put into circulation in Malaysia and not to any subsequent distribution of those copies or any subsequent importation of those copies into Malaysia; and
- (B) the exclusive right to control commercial rental in relation

to films shall apply when such commercial rental has led to widespread copying of such work materially impairing the exclusive right of reproduction.

(2) Notwithstanding subsection (1), the right of control under that subsection does not include the right to control —

(a) the doing of any of the acts referred to in subsection (1) by way of fair dealing including for purposes of research, private study, criticism, review, or the reporting of news or current events:

Provided that it is accompanied by an acknowledgment of the title of the work and its authorship, except that no acknowledgment is required in connection with the reporting of news or current events by means of a sound recording, film, or broadcast;

(b) the doing of any of the acts referred to in subsection (1) by way of parody, pastiche, or caricature;

(c) the inclusion in a film or broadcast of any artistic work situated in a place where it can be viewed by the public;

(d) the reproduction and distribution of copies of any artistic work permanently situated in a place where it can be reviewed by the public;

(e) the incidental inclusion of a work in an artistic work, sound recording, film, or broadcast;

(f) the inclusion of a work in a broadcast, performance, showing or playing to the public, collection of literary or musical works, sound recording, or film, if such inclusion is made by way of illustration for teaching purposes and is compatible with fair practice: provided that mention is made of the source and of the name of the author which appears on the work used;

(ff) any use of a work for the purpose of an examination by way of setting the questions, communicating the questions to the candidates, or answering the questions:

Provided that a reprographic copy of a musical work shall not be made for use by an examination candidate in performing the work;

(g) the reproduction made in schools, universities, or educational institutions of a work included in a broadcast intended for such schools, universities, or educational institutions;

(gg) the making of a sound recording of a broadcast, or a literary, dramatic, or musical work, sound recording, or a film included in the broadcast insofar as it consists of sounds if such sound recording of a broadcast is for the private and domestic use of the person by whom the sound recording is made;

(ggg) the making of a film of a broadcast, or a literary, artistic, dramatic, or musical work or a film included in the broadcast insofar as it consists of visual images if such making of a film of the broadcast is for the private and domestic use of the person by whom the film is made;

(gggg) the making of copies of television broadcasts which are subtitled or otherwise modified for people who are deaf or hard of hearing, or physically or mentally handicapped in other ways and the issuing of such copies to the public by non-profit-making bodies or institutions which the Minister may, by order, prescribe;

(h) the reading or recitation in public or in a broadcast by one person of any reasonable extract from a published literary work if accompanied by sufficient acknowledgment;

(i) any use made of a work by or under the direction or control of the Government, by the National Archives or any State Archives, by the National Library, or any State Library, or by such public libraries and educational, scientific, or professional institutions as the Minister may by order prescribe, where such use is in the public interest and is compatible with fair practice and the provisions of any regulations, and —

(i) no profit is derived therefrom; and

(ii) no admission fee is charged for the performance, showing, or playing, if any, to the public of the work thus used;

(j) the reproduction of any work by or under the direction or control of a broadcasting service wholly owned by the government where such reproduction or any copies thereof are intended exclusively for a lawful broadcasting and are destroyed before the end of the period of six calendar months immediately following the making of the reproduction or such longer period as may be agreed between the broadcasting service and the owner of the relevant part of the copyright in the work;

Provided that any reproduction of a work made under this paragraph may, if it is of exceptional documentary character, be preserved in the archives of the broadcasting service which are hereby designated official archives for the purpose but, subject to the Act, shall not be used for broadcasting or for any other purpose without the consent of the owner of the relevant part of the copyright in the work;

(k) the performance, showing, or playing of a work by a non-profit-making club or institution where such performance, showing, or playing is for charitable or educational purpose and is in a place where no admission fee is charged in respect of such performance, showing, or playing;

(l) any use of a work for the purposes of any judicial proceedings, the proceedings of a royal commission, a legislative body, a statutory or governmental inquiry, or of any report of any such proceedings, or for the purpose of the giving of professional advice by a legal practitioner;

(m) the making of quotations from a published work if they are compatible with fair practice and their extent does not exceed that justified by the purpose, including quotations from newspaper articles and periodicals in the form of press summaries:

Provided that mention is made of the source and of the name of the author which appears on the work thus used;

(n) the reproduction by the press, the broadcasting, or the showing to the public of articles published in newspapers or periodicals on current topics, if such reproduction, broadcasting or showing has not been expressly reserved;

Provided that the source is clearly indicated;

(o) the reproduction by the press, the broadcasting, or the performance, showing, or playing to the public of lectures, addresses, and other works of the same nature which are delivered in public if such is used for informatory purposes and has not been expressly reserved; and

(p) the commercial rental of computer programs, where the program is not the essential object of the rental; and

(q) the making of a transient and incidental electronic copy of a work made available on a network if the making of such copy is required for the viewing, listening or utilization of the said work

(2A) For the purposes of paragraph (2)(a), in determining whether a dealing constitutes a fair dealing, the factors to be considered shall include—

(a) the purpose and character of the dealing, including whether such dealing is of a commercial nature or is for non-profit educational purposes;

(b) the nature of the copyright work;

(c) the amount and substantiality of the portion used in relation to the copyright work as a whole; and

(d) the effect of the dealing upon the potential market for or value of the copyright work.

(3) For the purposes of subsection (2)(1), “a legislative body” means the Parliament of Malaysia or, in relation to a state, the authority having power under the Constitution of that state to make laws for the state, as the case may be.

COMMENTARY

Subsection (1), above, defines the scope of the power that copyright gives to the owner, i.e., “the exclusive right to control all of the acts in subsection (1), in Malaysia”. Subsection (2), however, lays down the exceptions. Subsection (2)(p) was inserted by section 4(b)(iii) of the Copyright (Amendment) Act 1997 (Act A994), w.e.f. 1 April 1999, to give effect to the requirement of the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) Art II.

The amendments in subsections (1) and (2)(a), (g), (gggg), (j), (o) and (p) and the insertions in subsections 2(q) and (2A) were made by the Copyright (Amendment) Act 2012 (Act A1420) section 9 which came into force on 1 March 2012.

. . .

Section 13A. Design documents and models

(1) It shall not be an infringement of any copyright in a design

document or model recording or embodying a design for anything other than an artistic work or a typeface —

(a) to make an article to the design, or to copy or to reproduce an article made to the design; or

(b) to issue to the public, or include in a film, broadcast, or cable program service, anything the making of which was, by virtue of paragraph (a), not an infringement of that copyright.

(2) In this section —

“design” means the design of any aspect of the shape or configuration (whether internal or external) of the whole or part of an article, other than surface decoration; and

“design document” means any record of a design, whether in the form of a drawing, a written description, a photograph, data stored in a computer, or otherwise.

COMMENTARY

Section 13A, as added by section 4 of the Copyright (Amendment) Act 1996 (Act A952), seeks to provide that any copyright subsisting in two-dimensional drawings or in three-dimensional models cannot be infringed by three-dimensional copies thereof provided that the drawings or models record or embody the design of any aspect of the shape or configuration of the whole or part of an article (other than the surface decoration). The only exception to this is where the article so made qualifies as a artistic work (e.g., as a work of artistic craftsmanship).

This amendment seems to apply not just to functional designs but to unregistered designs which qualify for industrial design registration as well. However, by virtue of section 12 of the Copyright (Amendment) Act 1996 (Act A952), works in which copyright subsisted prior to 1 September 1999 would not be affected by this amendment.

. . .

Section 13B. Effect of exploitation of design derived from artistic work

(1) This section applies where an artistic work has been exploited, by or with the license of the copyright owner, by —

(a) making, by an industrial process or means, articles falling to be treated for the purposes of this Act as copies of the work; and

(b) marketing such articles in Malaysia or elsewhere.

(2) After the end of the period of 25 years from the end of the calendar year in which such articles are first marketed, the work may be copied by making articles of any description, or doing anything for the purposes of making articles of any description, and anything may be done in relation to articles so made, without infringing copyright in the work.

(3) Where only part of an artistic work is exploited as mentioned in subsection (1), subsection (2) applies only in relation to that part.

(4) The Minister may by order make provision —

(a) as to the circumstances in which an article, or any descrip-

tion of article, is to be regarded for the purposes of this section as made by an industrial process or means; and

(b) for excluding from the operation of this section such articles of a primarily literary or artistic character as he thinks fit.

(5) In this section —

(a) references to articles do not include films; and

(b) references to the marketing of an article shall be construed as references to it being sold or let for hire or offered or exposed for sale or hire.

COMMENTARY

Section 13B a new addition by virtue of the Copyright (Amendment) Act 1996 (Act 952), w.e.f. 1 September 1999, is intended to provide that, where an artistic work has been industrially exploited, by or with the license of the copyright owner, the period of copyright protection for such purposes will now be limited to 25 years from the end of the calendar year in which such articles are first marketed.

No definition is given for “industrial process”.

Pursuant to the Copyright (Amendment) Act 2012, Section 7(6) which dealt with the subsistence of copyright in any design which is capable of being registered but which was not registered has been deleted and all such designs are now dealt with under Section 13(B) of the Copyright Act. The effect of Sections 7(5) and 13(B) of the Copyright Act when read together seems to suggest that an unregistered industrial design can enjoy copyright protection for 25 years from the end of the calendar year in which such articles are first marketed (whether in Malaysia or elsewhere).

. . .

Section 13C. (Deleted)

Section 13C was deleted by the Copyright (Amendment) Act 2012 (Act A1420) section 11 which came into force on 1 March 2012.

. . .

Section 14. Nature of copyright in works of architecture

Copyright in a work of architecture shall include the exclusive right to control the erection of any building which reproduces the whole or a substantial part of the work either in its original form or in any form recognizably derived from the original:

Provided that the copyright in any such work shall not include the right to control the reconstruction or rehabilitation in the same style as the original, of a building to which that copyright relates.

COMMENTARY

Section 14 extends copyright protection to control the erection of a building which reproduces the whole or a substantial part of a work.

. . .

Section 15. Nature of copyright in broadcasts

(1) Copyright in a broadcast shall be the exclusive right to control in Malaysia the recording, the reproduction, and the rebroadcasting, of the whole or a substantial part of the broadcast, and the performance, showing, or playing to the public in a place where an

admission fee is charged of the whole or a substantial part of a television broadcast either in its original form or in any way recognizably derived from the original.

(2) Notwithstanding subsection (1), paragraphs (a), (g), (gg), (ggg), (gggg), (h), and (o) of subsection (2) of section 13 shall also apply to the copyright in a broadcast.

(3) The copyright in a television broadcast shall include the right to control the taking of still photographs from such broadcasts.

COMMENTARY

Section 7(a) and (b) of the Copyright (Amendment) Act 1990 (Act A775), which came into effect 1 October 1990, expands the nature of the communication to the public.

The words within the second set of square brackets in subsection (2) were inserted by section 5 of the Copyright (Amendment) Act 1997 (Act A994), w.e.f. 1 April 1999.

Copyright extends to the broadcast in its original form as well as a form recognizably derived from the original.

. . .

Section 16. Broadcasting of works incorporated in films

(1) Where the owner of the copyright in any literary, musical, or artistic work authorizes a person to incorporate the work in a film and a broadcasting service broadcasts the film in the absence of any express agreement to the contrary between such owner and person, it shall be deemed that the owner of the copyright authorized the broadcast.

(2) Notwithstanding subsection (1), where a broadcasting service broadcasts a film in which a literary, musical, or artistic work is incorporated, the owner of the right to broadcast the literary, musical, or artistic work shall be entitled to receive fair compensation from the broadcasting service.

COMMENTARY

Section 16 provides that where the owner of the copyright of any work authorizes the incorporation of his work into a film, he shall be deemed to have authorized the broadcast.

. . .

Section 16A. Nature of performers' right

(1) Performers' right shall be the exclusive right to control in Malaysia —

(a) the communication to the public of a performance, except where the performance used in such communication is itself a live broadcast performance;

(b) the fixation of an unfixed performance;

(c) the reproduction of the fixation of a performance

(d) the first distribution to the public of a fixation of a performance, or copies thereof, through sale or other transfer of ownership; and

(e) The commercial rental to the public of a fixation of a perfor-

mance, or copies thereof, irrespective of the ownership of the copy rented.

(2) A performer shall cease to have the exclusive right under subsection (1) once he has given consent to the fixation of his performance.

(3) Notwithstanding subsection (1), the right to control under that subsection does not include the right to control —

(a) a direct or an indirect sound recording or an indirect film of a performance —

(i) being a sound recording or film made solely for the purpose of the private and domestic use of the person who made it; or

(ii) being a sound recording or film made solely for the purpose of use in scientific research;

(b) a direct or indirect sound recording or film of a performance —

(i) made for the purpose of, or associated with, the reporting of news or current affairs;

(ii) made for the purpose of criticism or review; or

(iii) made for the purpose of a judicial proceeding, a proceeding of a royal commission or legislative body, a statutory or Government inquiry, or the report of any such proceeding or inquiry, or for the purpose of the giving of professional advice by a legal practitioner;

(c) an indirect sound recording or film of a performance —

(i) being a sound recording or film made by, or on behalf of, the body administering an educational institution solely for the educational purposes of that institution or of another educational institution; or

(ii) being a sound recording or film made by, or on behalf of, the body administering an institution assisting persons with a print disability solely for the purpose of the provision, whether by the institution or otherwise, of assistance to persons with a visual, aural intellectual, and print disability;

(d) a direct sound recording or film of a performance made by or under the direction or control of a broadcasting service who has the consent of the performer to broadcast the performance, and such recording or film is destroyed before the end of the period of six months immediately following the making of the recording or film or such longer period as may be agreed between the broadcasting service and the performer;

(e) a direct or an indirect sound recording or an indirect film of a performance made by a person who reasonably believes, due to a fraudulent or innocent misrepresentation made to the person that the performer has authorized the making of the recording by the person;

(f) a copy of a sound recording or film referred to in paragraphs (a), (b), (c), and (d), being a copy made solely for a purpose referred to in any of those paragraphs;

(g) a copy of a sound recording or film referred to in paragraph (e), being a copy made solely for the purpose referred to in that paragraph; and

(h) a copy of a sound recording or film referred to in paragraph (f), being a copy made —

(i) by a person who believes, due to a fraudulent or innocent misrepresentation made to the person that the performer has consented to the making of the copy; or

(ii) solely for a purpose referred to in paragraphs (a), (b), (c), and (d).

(4) For the purpose of this section —

“direct”, in relation to a sound recording or film of a live performance, means made directly from a live performance;

“indirect”, in relation to a sound recording or film of a live performance, means made from a broadcast or re-broadcast of the live performance.

COMMENTARY

There are five main exclusive rights provided under the scope of “performers’ right”. The exclusive rights to control are set out in section 16A(1).

The amendments in subsections 1(c), (d), (e), 2, 3(b)(i), (b)(iii) and (d) were made by the Copyright (Amendment) Act 2012 (Act A1420) section 12 which came into force on 1 March 2012.

. . .

Section 16B. Equitable remuneration

(1) Where a sound recording is published for commercial purposes or a reproduction of such recording is publicly performed or used directly for broadcast or other communication to the public, an equitable remuneration for the performance shall be payable to the performer by the user of the sound recording.

(2) Remuneration shall not be considered inequitable merely because it was paid by way of a single payment.

(3) Nothing in this section shall be construed so as to deprive a performer of the right to agree by contract on terms and conditions more favorable for him in respect of his live performance.

(3A) In the absence of a contract on the equitable remuneration payable under subsection (1), the performer may apply to the Tribunal to determine the amount payable as equitable remuneration.

(3B) The performer may also apply to the Tribunal—

(a) to vary any contract as to the amount payable as equitable remuneration; or

(b) to vary any previous determination of the Tribunal relating to the equitable remuneration.

(3C) An application by a performer under paragraph (3B)(b) may only be made within twelve months from the date of a previous determination, unless special leave by the Tribunal has been obtained.

(3D) On an application under this section, the Tribunal shall consider the matter and make such order as to the method of calculation and payment of equitable remuneration as it may determine to be reasonable in the circumstances, taking into account the importance of the contribution of the performer to the sound recording.

(3E) A contract is of no effect in so far as it purports to prevent a performer questioning the amount of equitable remuneration or to restrict the powers of the Tribunal under this section.

(4) For the purpose of this section —

“published for commercial purpose” means the sound recording has been made available to the public by wire or wireless means in such a way that members of the public may access them from a place and at a time individually chosen by them.

COMMENTARY

The insertion in subsections (3) and the amendments in subsections (2) and (4) were made by the Copyright (Amendment) Act 2012 (Act A1420) section 13 which came into force on 1 March 2012.

Section 17. Duration of copyright in literary, musical, or artistic works . . .

(1) Except as otherwise provided in the Act, copyright in any literary, musical, or artistic work . . . shall subsist during the life of the author and shall continue to subsist until the expiry of a period of 50 years after his death.

(2) Where a literary, musical, or artistic work had not been published before the death of the author, copyright which subsists in such work under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the work was first published.

(3) Where a literary, musical, or artistic work is published anonymously or under a pseudonym, copyright which subsists in such work under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the work was first published or first made available to the public or made, whichever is the latest:

Provided that, in the event of the identity of the author becoming known, the duration of copyright shall be calculated in accordance with subsection (1).

(4) In this section, a reference to “author” shall, in the case of a work of joint authorship, be construed as a reference to the author who dies last.

COMMENTARY

The words marked the ellipsis in the marginal note to this section were deleted by section 6 (a) of the Copyright (Amendment) Act 1997 (Act A994),

w.e.f. 1 April 1999. The words marked the ellipsis in subsections (1), (2), and (3) were deleted by section 6(b) of the Copyright (Amendment) Act 1997 (Act A994), w.e.f. 1 April 1999.

The general rule is that copyright in the above works will expire 50 years from the end of the calendar year in which the author dies. If the work is of unknown authorship, the copyright period is 50 years from the end of the year in which the work was first published and, if the identity of the author later becomes known, the general rule will apply.

In relation to works of joint authorship, the general rule is that copyright will expire 50 years from the end of the calendar year in which the last of the authors dies.

. . .

Section 18. Duration of copyright in published editions

Copyright which subsists in a published edition under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the edition was first published.

COMMENTARY

Copyright in a published edition belongs to the publisher, and such works will expire 50 years from the end of the calendar year in which the edition was first published.

. . .

Section 19. Duration of copyright in sound recordings

Copyright which subsists in a sound recording under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the recording was first published or, if the sound recording has not been published, from the beginning of the calendar year following the year of fixation.

COMMENTARY

Copyright in a sound recording shall expire 50 years from the end of the calendar year in which the sound recording was first made.

. . .

Section 20. Duration of copyright in broadcasts

Copyright which subsists in a broadcast under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the broadcast was first made.

COMMENTARY

Copyright in a broadcast shall similarly expire 50 years from the end of the calendar year in which the broadcasts was first made.

. . .

Section 21. (Deleted)

COMMENTARY

Section 21 was deleted by the Copyright (Amendment) Act 1997 (Act A994), section 7, w.e.f. 1 April 1999.

. . .

Section 22. Duration of copyright in films

Copyright which subsists in a film under this Act shall continue

to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the film was first published or first made available to the public or made, whichever is the latest.

COMMENTARY

Copyright in a film shall expire 50 years from the beginning of the calendar year following the year in which the film was first published or made available to the public or made, whichever is later. . . .

The deletion was made by the Copyright (Amendment) Act 2002 (Act A1139) section 4 which came into force on 3 March 2002.

Section 23. Duration of copyright in works of government, government organizations, and international bodies

Copyright in works of the government, government organizations, and international bodies under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar year next following the year in which the work was first published.

COMMENTARY

Other works. Copyright subsisting in a sound recording, photograph, film, works of the government, government organizations, and international bodies will all expire 50 years from the beginning of the calendar year following the year in which the works were first published or first made available to the public, whichever is later.

. . .

Section 23A. Duration of performers' rights

Rights in a performance which subsists under this Act shall continue to subsist until the expiry of a period of 50 years computed from the beginning of the calendar next year following the year in which the live performance was given or was fixed in a sound recording.

COMMENTARY

The insertion was made by the Copyright (Amendment) Act 2012 (Act A1420) section 14 which came into force on 1 March 2012.

Section 23B. Duration of an equitable remuneration

The right to equitable remuneration shall subsist from the time the sound recording is published until the expiry of a period of 50 years computed from the beginning of the calendar next year following the year of publication or, if the sound recording has not been published, from the time of fixation of the sound recording until the expiry of a period of 50 years computed from the beginning of the calendar next year following the year of the fixation.

Section 24. (Deleted by Act A775(90))

COMMENTARY

Section 24 was deleted by the Copyright (Amendment) Act 1990 (Act A775), section 8, w.e.f. 1 October 1990.

. . .

Section 25. Moral rights

(1) For the purposes of this section, the word "name" includes initials or monograms.

(2) Subject to this section, where copyright subsists in a work, no person may, without the consent of the author or, after the author's death, of his personal representative, do or authorize the doing of any of the following acts:

(a) the presentation of the work, by any means whatsoever without identifying the author or, under a name other than that of the author; and

(b) the distortion, mutilation, or other modification of the work if the distortion, mutilation, or modification —

(i) significantly alters the work; and

(ii) is such that it might reasonably be regarded as adversely affecting the author's honor of reputation.

(3) Where a person is authorized, whether by virtue of an assignment, a license, or otherwise, to publish, reproduce, perform in public, or [communicate to the public] a work, that person may make modifications to the work if it would be reasonable to expect that the authorized publication, reproduction, public performance, [or communication to the public], as the case may be, could not take place without the modifications; but nothing in this subsection shall authorize a modification to a work which would constitute a contravention of subsection (2).

(4) The author or, after his death, his personal representative, may exercise the rights conferred by this section notwithstanding that the copyright in the work is not at the time of the act complained of, vested in the author or personal representative, as the case may be.

(5) Any contravention or threatened contravention of this section in respect of a work shall be actionable at the suit of the author of the work or, if he is dead, at the suit of his personal representative, as a breach of statutory duty.

(6) Any damages recovered under this section by a personal representative in respect of a contravention committed in relation to a work after the death of the author of the work shall devolve as part of the author's estate, as if the right of action had subsisted and had been vested in him immediately before his death.

(7) Where in an action brought under this section a contravention of the restrictions imposed by this section is proved or admitted, the court may order the offender to publish such correction in such manner as the court may direct.

(8) Nothing in this section shall derogate from any right of action or other remedy (whether civil or criminal) in proceedings instituted otherwise than by virtue of this section; but this subsection shall not be construed as requiring any damages recovered by virtue of this section to be disregarded in assessing damages in any proceedings instituted otherwise than by virtue of this section and arising out of the same transaction.

COMMENTARY

The words within square brackets in subsections (2)(a) and (b) and (3)

were inserted by section 8(a)(i) and (ii) and (b)(i) of the Copyright (Amendment) Act 1997 (Act A994), w.e.f. 1 April 1999.

Moral rights are to be identified by reference to the author in any presentation of the work, and it also prevents distortion, mutilation, or other modification of the work which would be regarded as adversely affecting the author's honor or reputation.

Although moral rights exist concurrently with the copyright in a work, they are independent of the ownership of the copyright. Section 25 provides that, even after an author has assigned his copyright in a work, the author is still left with its rights to be identified as the author of the work.

Section 25A. Moral rights of a performer

(1) A performer shall, as regards his live performance or performance fixed in phonogram, have the right —

(a) to claim to be identified as the performer of his performance, except where omission is dictated by the manner of the use of the performance; and

(b) to object to any distortion, mutilation, or other modification of his performance that would be prejudicial to his reputation.

(2) The rights granted to a performer under subsection (1) shall, after his death, be maintained and shall be exercisable by the persons or institutions authorized by the performer.

(3) For the purpose of this section, “phonogram” means the fixation of the sounds of a performance or of other sounds or of a representation of the sounds, other than in the form of a fixation incorporated in a film or other audiovisual work.

PART IV

OWNERSHIP AND ASSIGNMENT OF COPYRIGHT

Section 26. First ownership of copyright

(1) Copyright conferred by section 10 shall vest initially in the author.

(2) Notwithstanding subsection (6) of section 27, where a work —

(a) is commissioned by a person who is not the author's employer under a contract of service or apprenticeship, or

(b) not having been so commissioned, is made in the course of the author's employment,

the copyright shall be deemed to be transferred to the person who commissioned the work or the author's employer, subject to any agreement between the parties excluding or limiting such transfer.

(3) Copyright conferred by section 11 shall vest initially in the Government, Government organization, or international body and not in the author.

(4) Subject to subsection (3) —

(a) the name on a work purporting to be the name of its author shall be considered as such, unless the contrary is proved;

(b) in the case of an anonymous or pseudonymous work, the publisher whose name is indicated in the work as such shall be

deemed to be, unless the contrary is proved, the legal representative of the anonymous pseudonymous author and shall be entitled to exercise and protect the rights belonging to the author under the Act;

(c) in the case of unpublished work where the identity of the author is unknown, but where there is every reason to presume that he is a citizen of Malaysia, the copyright conferred by the Act shall be deemed to vest in the Minister charged with the responsibility for culture;

(5) paragraphs 4(b) and (c) shall cease to apply when the identity of the author becomes known.

COMMENTARY

Under section 26, there is a difference between authorship and ownership. Generally, the author is the creator of the work, whereas an owner is the person who is entitled to control the infringing acts. The definition of the word “author” seems to suggest that it refers only to a natural person.

However, in *Creative Purpose Cdn. Bhd. v. Intergrated Trans Cdn. Bhd.*, (1997 2 MLJ 429), it was held that it is not right to read the word “author” in the context of this section as referring only to natural persons. The word “author” also can mean a “qualified person” by virtue of section 10 of the Act, and a “qualified person” is defined by section 3 of the Act to include a body corporate. The general rule is that copyright shall vest in the author. However, section 26 provides two exceptions, these relating to works prepared under a commission or while in employment and copyright in works of government, government organizations, and international bodies, as defined in section 11 of the Act.

Section 26A. Voluntary notification of copyright.

(1) A notification of copyright in any work may be made to the Controller by or on behalf of the author of the work, the owner of the copyright in the work, an assignee of the copyright, or a person to whom an interest in the copyright has been granted by licence.

(2) A notification of copyright shall not be entertained unless the prescribed fee has been paid to the Controller.

(3) A notification of copyright shall contain the following particulars:

(a) the name, address and nationality of the owner of the copyright;

(b) a statutory declaration that the applicant is the author of the work, or the owner of the copyright in the work, or an assignee of the copyright, or a person to whom an interest in the copyright has been granted by licence;

(c) the category of the work;

(d) the title of the work;

(e) the name of the author and, if the author is dead, the date of the author’s death, if known;

(f) in the case of a published work, the date and place of the first publication; and

(g) any other information as the Minister may determine.

COMMENTARY

The insertions of sections 26A, 26B and 26C were made by the Copyright (Amendment) Act 2012 (Act A1420) section 16 which came into force on 1 March 2012.

By virtue of section 26A, the author of the work or owner of the copyright in the work, or an assignee or licensee thereof, may notify the Controller of the existence of copyright in the work by providing prescribed particulars and upon payment of a prescribed fee. As the title of section 26A suggests, the said notification is merely on a voluntary basis whereby even if the said notification is not lodged, this does not affect the subsistence of copyright in a work.

Pursuant to Section 26A, the Copyright (Voluntary Notification) Regulations 2012 came into force on 1 June 2012. A right holder can now voluntarily give notification to the Registrar of Copyright of its interest in the copyrighted works, with the payment of the prescribed fees. Pursuant to this Regulation, there is now a Copyright Office in Malaysia, which is essentially the office of the Intellectual Property Corporation of Malaysia.

Section 26B. Register of copyright

(1) The Controller shall keep and maintain a register called the Register of Copyright.

(2) The Register of Copyright shall contain all such particulars relating to a copyright in a work as notified to the Controller under section 26A.

(3) The Register of Copyright shall be kept in such form and on such medium as the Minister may determine.

(4) Any person may examine the Register of Copyright at such times and upon such conditions as may be determined by the Minister, and may obtain certified extracts from the Register on payment of the prescribed fee.

(5) The Controller or Deputy Controller may certify true extracts from the Register of Copyright which shall be *prima facie* evidence of the particulars entered therein and such certified extracts of the Register of Copyright shall be admissible in all courts.

Section 26C. Amendments to the Register of Copyright

(1) The Controller may correct any clerical error in any entry made in the Register of Copyright.

(2) Any interested person may apply to the court for an order to—

(a) correct any error in an entry in the Register; or

(b) expunge or amend any entry wrongly made in or remaining in the Register,

and any correction, expungement or amendment made under this section shall be effective from such date as the court may order.

(3) For the purpose of this section, “court” means the appropriate High Court in Malaysia.

COMMENTARY

The Controller shall maintain a Register of Copyright as provided in section 26B which is open for examination by any person who may obtain certified extracts from the Register upon payment of a prescribed fee.

Section 26B(5) provides that a certified true extract from the Register of Copyright shall be prima facie evidence of the particulars entered in the Register, that is particulars relating to the ownership of the copyright, and that such certified extract is admissible in all courts. By virtue of the notification of copyright, the burden of proof is shifted to any person whom the owner of the copyright alleges infringement to disprove the subsistence of copyright in the work.

Section 26C. Amendments to the Register of Copyright

(1) The Controller may correct any clerical error in any entry made in the Register of Copyright.

(2) Any interested person may apply to the court for an order to—

(a) correct any error in an entry in the Register; or

(b) expunge or amend any entry wrongly made in or remaining in the Register,

and any correction, expungement or amendment made under this section shall be effective from such date as the court may order.

(3) For the purpose of this section, “court” means the appropriate High Court in Malaysia.

. . .

Section 27. Assignment, licenses, and testamentary disposition

(1) Subject to this section, copyright shall be transferable by assignment, by testamentary disposition, or by operation of law, as movable property.

(2) An assignment or testamentary disposition of copyright may be limited so as to apply only to some of the acts which the owner of the copyright has the exclusive right to control, or to only part of the period of the copyright, or to a specified country or other geographical area.

(3) No assignment of copyright and no license to do an act the doing of which is controlled by copyright shall have effect unless it is in writing.

(4) An assignment or license granted by one copyright owner shall have effect as if the assignment or license also is granted by his co-owner or co-owners and, subject to any agreement between the co-owners, fees received by any of the owners shall be divided equally between all the co-owners.

(5) For the purposes of this section, persons shall be deemed to be co-owners if they share a joint interest in the whole or any part of a copyright.

(6) An assignment, license, or testamentary disposition may be effectively granted or made in respect of a future work, or an existing work in which copyright does not yet subsist, and the future copyright in any such work shall be transferable by operation of law as movable property.

(7) Where, under a testamentary disposition, whether specific or general, a person is entitled, beneficially or otherwise, to the manu-

script of a literary or musical work, or to an artistic work, and the work has not been published before the death of the testator, the testamentary disposition shall, unless a contrary intention is indicated in the testator's will or a codicil thereto, be construed as including the copyright in the work insofar as the testator was the owner of the copyright immediately before his death.

PART IVA

COPYRIGHT LICENSING

Section 27A. Licensing body

(1) A society or an organization which intends to operate as a licensing body for copyright owners or for a specified class of copyright owners shall apply to the Controller to be declared as a licensing body.

(2) An application for a declaration shall be made in such form and on such medium as the Controller may determine which shall contain the following information:

(a) the applicant's constituent document, which has as its main object, or one of its main objects, the negotiation or granting, either as owner or prospective owner of copyright or as agent for him, of copyright licences, and whose objects also include the granting of licences covering works of more than one author; and

(b) the list of copyright owners or their agents who are members of the applicant.

(3) Upon receipt of an application, the Controller may declare an applicant to be a licensing body and issue a declaration in writing to that effect to the said applicant.

(4) Notwithstanding subsection (3), the Controller shall refuse an application if the information provided by the applicant pursuant to subsection (2) is insufficient or unsatisfactory to show that the applicant is fit and proper to be a licensing body.

(5) The licensing body shall provide the Controller with a copy of its profit and loss account, balance sheet and auditor's report which are tabled at the licensing body's annual general meeting not later than one month after the date of the annual general meeting.

(6) The Controller may revoke a declaration given to a licensing body if he is satisfied that the licensing body—

(a) is not functioning adequately as a licensing body;

(b) no longer has the authority to act on behalf of all its members;

(c) is not acting in accordance with its rules or in the best interests of its members, or their agents;

(d) has altered its rules so that it no longer complies with any provision of this Act;

(e) has refused, or failed, without reasonable excuse, to comply with the provisions of this Act; or

(f) has been dissolved.

(7) A licensing body which is aggrieved by the decision of the Controller under subsection (6) may appeal to the Tribunal within one month from the date of the decision.

(8) Any society or organization which operates as a licensing body without obtaining a declaration under subsection (1) or any licensing body which does not comply with the provisions of subsection (5) commits an offence and shall upon conviction be liable to a fine not exceeding five hundred thousand ringgit.

COMMENTARY

In Malaysia, a collective management organization which negotiates and grants copyright licences on behalf of copyright owners is known as a “licensing body” under the Copyright Act 1987.

The coming into force of the Copyright (Amendment) Act 2012 observes the exercise of a greater supervision and control over a licensing body in which the amended Section 27A makes it mandatory for a licensing body to apply to the Controller of Copyright to be declared as a licensing body. In this regard, the grant of a declaration is subject to the applicant providing sufficient and satisfactory information to show that it is fit and proper to be a licensing body. The Controller of Copyright is empowered to revoke a declaration given to a licensing body if the circumstances justify a revocation.

Section 27AA. *Licensing schemes to which sections 27B to 27G apply*

(1) Sections 27B to 27G shall apply to licensing schemes operated by licensing bodies in relation to the copyright in literary or musical works, so far as they relate to licenses for —

- (a) reproducing the work;
- (b) performing, showing, or playing the work in public;
- (c) communicating the work to the public; or
- (d) rebroadcasting the work;
- (e) the commercial rental of the work to the public; or
- (f) making adaptation of the work;

(2) For the purposes of sections 27B to 27G, “licensing scheme” means any of the licensing schemes described in subsection (1).

Section 27B. *Reference of proposed licensing scheme to Tribunal*

(1) The terms of a licensing scheme proposed to be operated by a licensing body may be referred to the Tribunal by any organization claiming to be representative of persons claiming that they require licenses in cases of a description to which the licensing scheme would apply, either generally or in relation to any description of case.

(2) The Tribunal shall first decide whether to entertain the reference, and may decline to do so on the ground that the reference is premature.

(3) If the Tribunal decides to entertain the reference, it shall

consider the matter referred and make such order, either confirming or varying the proposed licensing scheme, either generally or so far as it relates to cases of the description to which the reference relates, as the Tribunal may determine to be reasonable in the circumstances.

(4) An order under subsection (3) may be made so as to be in force indefinitely or for such period as the Tribunal may determine.

Section 27C. Reference of licensing scheme to Tribunal

(1) If while a licensing scheme is in operation, a dispute arises between the operator of the licensing scheme and —

(a) a person claiming that he requires a license in a case of a description to which the licensing scheme applies; or

(b) an organization claiming to be representative of such persons,

(c) a person who has been granted a licence to which the licensing scheme applies,

that operator, person or organization may refer the licensing scheme to the Tribunal in so far as it relates to cases of that description.

(2) A licensing scheme which has been referred to the Tribunal under this section shall remain in operation until proceedings on the reference are concluded.

(3) The Tribunal shall consider the matter in dispute and make such order, either confirming or varying the licensing scheme so far as it relates to cases of the description to which the reference relates, as the Tribunal may determine to be reasonable in the circumstances.

(4) An order under subsection (3) may be made so as to be in force indefinitely or for such period as the Tribunal may determine.

Section 27D. Further reference of licensing scheme to Tribunal

(1) Subject to subsection (2), Where the Tribunal has on a previous reference of a licensing scheme under section 27B or 27C or under this section made an order with respect to the licensing scheme, then, while the order remains in force —

(a) the operator of the licensing scheme;

(b) a person claiming that he requires a license in a case of the description to which the order applies; or

(c) an organization claiming to be representative of such persons,

(d) a person who has been granted a licence to which the licensing scheme applies,

may again refer the licensing scheme to the Tribunal so far as it relates to cases of that description.

(2) A licensing scheme shall not, except with the special leave of the Tribunal, be again referred to the Tribunal in respect of the same description of cases —

(a) within 12 months from the date of the order on the previous reference; or

(b) if the order was made so as to be in force for 15 months or less, until the last three months before the expiry of the order.

(3) A licensing scheme which has been referred to the Tribunal under this section shall remain in operation until proceedings on the reference are concluded.

(4) The Tribunal shall consider the matter in dispute and make such order, either confirming, varying, or further varying the licensing scheme so far as it relates to cases of the description to which the reference relates, as the Tribunal may determine to be reasonable in the circumstances.

(5) An order under subsection (4) may be made so as to be in force indefinitely or for such period as the Tribunal may determine.

Section 27E. Application for grant of license in connection with the licensing scheme

(1) A person who claims, in a case covered by a licensing scheme, that the operator of the licensing scheme —

(a) has refused to grant him or procure the grant to him of a license in accordance with the licensing scheme;

or

(b) has failed to grant him or procure the grant to him of a license in accordance with the licensing scheme within a reasonable time after being asked,

may apply to the Tribunal for an order under subsection (4).

(2) A person who claims, in a case excluded from a licensing scheme, that the operator of the licensing scheme either —

(a) has refused to grant him a license or procure the grant to him of a license, or has failed to do so within a reasonable time of being asked, and that in the circumstances it is unreasonable that a license should not be granted; or

(b) proposes terms for a license which are unreasonable, may apply to the Tribunal for an order under subsection (4).

(3) A case shall be regarded as excluded from a licensing scheme for the purposes of subsection (2) if —

(a) the licensing scheme provides for the grant of licenses subject to terms excepting matters from the license and the case falls within such an exception; or

(b) the case is so similar to those in which licenses are granted under the licensing scheme that it is unreasonable that it should not be dealt with in the same way.

(4) If the Tribunal is satisfied that the claim is well-founded, it shall make an order declaring that, in respect of the matters specified in the order, the applicant is entitled to a license on such terms as the Tribunal may determine to be applicable in accordance with

the licensing scheme or, as the case may be, to be reasonable in the circumstances.

(5) An order under subsection (4) may be made so as to be in force indefinitely or for such period as the tribunal may determine.

Section 27F. Application for review of order as to entitlement to license

(1) Where the Tribunal has made an order under section 27E that a person is entitled to a license under a licensing scheme, the operator of the licensing scheme or the original applicant may apply to the Tribunal to review its order.

(2) An application shall not be made, except with the special leave of the Tribunal, —

(a) within 12 months from the date of the order, or of the decision on a previous application under this section; or

(b) if the order was made so as to be in force for 15 months or less, or as a result of the decision on a previous application under this section which is due to expire within 15 months of that decision, until the last three months before the expiry of the order.

(3) The Tribunal shall on an application for review confirm or vary its order as the Tribunal may determine to be reasonable having regard to the terms applicable in accordance with the licensing scheme or, as the case may be, the circumstances of the case.

Section 27G. Effect of order of tribunal as to licensing scheme

(1) A licensing scheme which has been confirmed or varied by the Tribunal under section 27B, 27C, or 27D shall be in force or, as the case may be, remain in operation, so far as it relates to the description of case in respect of which the order was made, so long as the order remains in force.

(2) While the order is in force, a person, who in a case of a class to which the order applies, shall —

(a) pay to the operator of the licensing scheme any charges payable under the licensing scheme in respect of a license covering the case in question or, if the amount cannot be ascertained, give an undertaking to the operator to pay the charges when ascertained; and

(b) comply with the other terms applicable to such a license under the licensing scheme; and

(c) be in the same position as regards infringement of copyright as if he had at all material times been the holder of a license granted by the owner of the copyright in question in accordance with the licensing scheme.

(3) The Tribunal may direct that the order, so far as it varies the amount of charges payable, has effect from a date before that on which it is made, but not earlier than the date on which the reference was made or, if later, on which the licensing scheme came into operation.

(4) Where a direction is made under subsection (3) —

(a) any necessary repayments, or further payments, shall be made in respect of charges already paid or payable; and

(b) the reference in paragraph (a) of subsection (2) to the charges payable under the licensing scheme shall be construed as a reference to the charges so payable by virtue of the order.

(5) Where the Tribunal has made an order under section 27D and the order remains in force, the person in whose favor the order is made shall, if he —

(a) pays to the operator of the licensing scheme any charges payable in accordance with the order or, if the amount cannot be ascertained, gives an undertaking to the operator to pay the charges when ascertained; and

(b) complies with the other terms specified in the order, be in the same position as regards infringement of copyright as if he had at all material times been the holder of a license granted by the owner of the copyright in question on the terms specified in the order.

Section 27H. Licenses to which sections 27I to 27L apply

Sections 27I-27L shall apply to the following descriptions of license granted by a licensing body otherwise than in pursuance of a licensing scheme;

(a) licenses relating to the copyright in literary or musical works which cover works of more than one author, so far as they authorize —

(i) reproducing the work;

(ii) performing, showing, or playing the work in public;

(iii) communicating the work to the public; or

(iv) distributing the work to the public; and

(b) licenses relating to the copyright in any other works, so far as they authorize —

(i) making copies of the work;

(ii) performing, showing, or playing the work in public;

(iii) communicating the work to the public; or

(iv) causing the work to be publicly performed, shown, or played,

and, in those sections, a “license” means a license of any of those descriptions.

Section 27I. Reference to Tribunal of terms of proposed license

(1) The terms on which a licensing body proposes to grant a license may be referred to the Tribunal by the prospective licensee.

(2) The Tribunal shall first decide whether to entertain the reference, and may decline to do so on the ground that the reference is premature.

(3) If the Tribunal decides to entertain the reference, it shall consider the terms of the proposed license and make such order, either confirming or varying the terms, as the Tribunal may determine to be reasonable in the circumstances.

(4) An order under subsection (3) may be made so as to be in force indefinitely or for such period as the Tribunal may determine.

Section 27J. Reference to Tribunal of expiring license

(1) A licensee under a license which is due to expire, by effluxion of time or as a result of notice given by the licensing body, may apply to the Tribunal on the ground that it is unreasonable in the circumstances that the license should cease to be in force.

(2) Such an application may not be made until the last three months before the license is due to expire.

(3) A license in respect of which a reference has been made to the Tribunal under this section shall remain in operation until proceedings on the reference are concluded.

(4) If the Tribunal finds the application to be well-founded, it shall make an order declaring that the licensee shall continue to be entitled to the benefit of the license on such terms as the Tribunal may determine to be reasonable in the circumstances.

(5) An order under subsection (4) may be made so as to be in force indefinitely or for such period as the Tribunal may determine.

Section 27K. Application for review of order as to license

(1) Where the Tribunal has made an order under section 27I or 27J, the licensing body or the person entitled to the benefit of the order may apply to the Tribunal to review its order.

(2) An application shall not be made, except with the special leave of the Tribunal, —

(a) within 12 months from the date of the order, or of the decision on a previous application under this section; or

(b) if the order was made so as to be in force for 15 months or less, or as a result of the decision on a previous application under this section which is due to expire within 15 months of that decision, until the last three months before the expiry of the order.

(3) The Tribunal shall on an application for review confirm or vary its order as the Tribunal may determine to be reasonable in the circumstances.

27L. Effect of order of Tribunal as to license

(1) Where the Tribunal has made an order under section 27I or 27J and the order remains in force, the person entitled to the benefit of the order shall, if he —

(a) pays to the licensing body any charges payable in accordance with the order or, if the amount cannot be ascertained, gives an undertaking to the operator to pay the charges when ascertained; and

(b) complies with the other terms specified in the order, be in the same position as regards infringement of copyright as if he had at all material times been the holder of a license granted by the owner of the copyright in question on the terms specified in the order.

(2) The benefit of the order may be assigned —

(a) in the case of an order under section 27I, if assignment is not prohibited under the terms of the Tribunal's order; and

(b) in the case of an order under section 27J, if assignment is not prohibited under the terms of the original license.

(3) The Tribunal may direct that an order under section 27I or 27J, or an order under section 27K varying such an order, so far as it varies the amount of charges payable, has effect from a date before that on which it is made, but not earlier than the date on which the reference or application was made or, if later, on which the license was granted or, as the case may be, was due to expire.

(4) Where a direction is made under subsection (3) —

(a) any necessary repayments, or further payments, shall be made in respect of charges already paid or payable; and

(b) the reference in paragraph (a) of subsection (1) to the charges payable in accordance with the order shall be construed, where the order is varied by a later order, as a reference to the charges so payable by virtue of the later order.

COMMENTARY

The Amendment Act (Act A952/96) introduced Part IVA which comprised 12 new sections from sections 27A to 27L. The sections dealt with instances when the aggrieved party may make references or applications to the Tribunal in two principal categories of case, namely, licensing schemes and licenses.

1. Section 27A was amended by the Copyright (Amendment) Act 2012 (Act A1420) section 17 which came into force on 1 March 2012 to provide the definition of a "Licensing Body." Section 27AA was inserted by the Copyright (Amendment) Act 2012 (Act A1420) section 18 to provide the types of licensing schemes.
2. The provisions of sections 27B, 27C, and 27D are avenues whereby proposed and existing licensing schemes, as well as a further reference of licensing schemes, may be referred to the Tribunal by users or organizations representative of users or the operator of the licensing scheme. Sections 27 C and 27D were amended by the Copyright (Amendment) Act 2012 (Act A1420) sections 19 and 20 respectively.
3. Sections 27E and 27F specify the instances and the party or parties who may refer or apply to the Tribunal with respect to the entitlement to a license under a licensing scheme.
4. Section 27G provides the duration of a proposed scheme in force for as long as the order of the Tribunal remains in force. The Tribunal also has the power to backdate its order with regard to charges payable.
5. Sections 27I and 27J provide for instances where the terms of a proposed license and a license which is due to expire may be referred to the Tribunal by the prospective licensee and licensee, respectively.
6. Section 27K permits applications to be made to the Tribunal for review of its orders.

7. Section 27L allows the applicant who complies with the order of the Tribunal to be deemed to be in the same position as regards infringement of copyright as if he had at all material times been the holder of a license granted by the owner of the copyright in question on the terms specified in the order. The benefit of the order may be assigned unless the assignment is expressly prohibited under the terms of the Tribunal's order.

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PART V

COPYRIGHT TRIBUNAL

Section 28. Establishment and powers of Copyright Tribunal

- (1) There shall be established a tribunal to be known as the Copyright Tribunal.
- (2) The Tribunal shall have the power to decide on the following matters:
- (a) an application by a performer under section 16B;
 - (b) any reference by an operator, a person or an organization referred to in Part IVA;
 - (c) an appeal by a licensing body under subsection 27A(8); and
 - (d) the exercise of the power under section 31.

COMMENTARY

The Copyright (Amended) Act 1996 (Act A952) enlarges the powers and functions of the Copyright Tribunal with the introduction of sections 27A to 27L *ante*. The Copyright Tribunal is given the power to resolve disputes in regard to copyright licensing. Section 28 was further amended by the Copyright (Amendment) Act 2012 (Act A1420) section 21 which came into force on 1 March 2012 to specify the discretion of the Copyright Tribunal.

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Section 29. Appointment of Chairman and members of Tribunal

- (1) The Tribunal shall consist of the following persons who shall be appointed by the Minister:
- (a) a Chairman;
 - (b) five Deputy Chairmen; and
 - (c) twelve persons whom the Minister considers fit and proper to be members of the Tribunal.
- (2) The Chairman, Deputy Chairmen and members of the Tribunal shall hold office for a period not exceeding three years, after which they shall be eligible to be reappointed.
- (3) The Minister shall determine the remuneration and other terms and conditions of the appointment of the Chairman, Deputy Chairmen, and members of the Tribunal.
- (4) The Minister may declare the office of any member of the Tribunal vacant on the ground that he is found to be unfit to continue in office or unable to perform the duties thereof.
- (5) The Chairman, Deputy Chairmen or any member of the

Tribunal may at any time resign from his office by giving notice in writing to the Minister.

(6) The Chairman, Deputy Chairmen and members of the Tribunal shall be deemed to be public servants within the meaning of the Penal Code.

(7) There shall be a Secretary to the Tribunal and such other officers as may be necessary to assist the Tribunal, who shall be appointed by the Minister.

COMMENTARY

The Copyright (Amendment) Act 1996 (Act 952), w.e.f. 1 September 1999, had provided for the appointments of a deputy chairman and a secretary of the Tribunal by the Minister who also may appoint such other officers as to assist the Tribunal in view of the increased jurisdiction of the Tribunal relating to disputes in copyright licensing. Section 29 now provides for the establishment of a Copyright Tribunal which consists of a Chairman, Five Deputy Chairmen and twelve persons whom the Minister of Domestic Trade, Cooperatives and Consumerism (MDTCC) considers fit and proper to be members of the Tribunal.

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Section 30. Proceedings before the Tribunal

(1) Every proceedings before the Tribunal shall be heard and disposed of by the Chairman or Deputy Chairman and two other members selected by the Chairman from among the members appointed under section 29.

(2) No member of the Tribunal shall take part in any proceedings before the Tribunal if he has a pecuniary interest in any matter which is to be determined by the Tribunal.

(3) Where the Chairman has been disqualified under subsection (2), the Minister shall appoint a Deputy Chairman to act as chairman for the purposes of that proceedings.

(4) A person is deemed to have a pecuniary interest if he, his partner, employer, or any member of his family or, if a body, whether statutory or not, of which he is a member, has a pecuniary interest in any matter which is to be determined by the Tribunal.

(5) If, on any matter to be determined by the Tribunal, there is an equality of votes, the chairman of the proceedings shall have a casting vote in addition to his deliberative vote.

(6) If, in the course of any proceedings, any member of the Tribunal is unable through illness or any other cause to continue, the proceedings shall continue before the remaining members of the Tribunal, not being less than two, and the Tribunal shall, for the purposes of the proceedings, be deemed to be fully constituted.

(7) In any such case as is mentioned in subsection (6), where the member who is unable to continue is the chairman of the proceedings, then the Minister shall appoint from among the remaining members a new chairman for the purposes of the continued proceedings, then the Minister shall—

(a) appoint from amongst the remaining members a new chairman for the purpose of the continued proceedings; and

(b) where appropriate, appoint a Deputy Chairman to attend the proceedings to advise the members of the proceedings on any issue that may arise during the proceedings.

COMMENTARY

Subsections (5), (6), and (7) were inserted by section 7(b) of the Copyright (Amendment) Act 1996 (Act A952), w.e.f. 1 September 1999.

Subsequently, subsections (3), (5) and (7) were amended by the Copyright (Amendment) Act 2012 (Act A1420) section 23 which came into force on 1 March 2012.

Section 30 provides for the proceedings before the Copyright Tribunal and its composition. It also provides for circumstances where members of the tribunal are deemed to have a pecuniary interest in any matter to be determined and deals with absenteeism of members.

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Section 30A. Reference of questions of law to High Court

(1) The Tribunal may of its own motion, or shall at the request of a party, refer a question of law arising in proceedings concluded before it for determination by the High Court.

(2) A request under subsection (1) shall be made in writing within 14 days of the date on which the decision was made.

(3) Where a question has been referred to the High Court under this section, the Tribunal shall forward the record of its proceedings to the Registrar of the High Court who shall thereupon appoint and notify the parties to the proceedings of the time and place for its hearing.

(4) At the hearing of the reference in the High Court, every party to the proceedings before the Tribunal shall be entitled to appear and to be heard.

(5) The High Court shall hear and determine the question referred to it under this section as if the reference were an appeal to the High Court against the decision of the Tribunal, and may consequently confirm, vary, substitute, or quash the decision, or make such other order as it considers just or necessary.

(6) A decision of the High Court under subsection (5) shall be final and conclusive, and no such decision shall be challenged, appealed against, reviewed, quashed, or called in question in any other court or before any other authority, judicial or otherwise, whatsoever.

(7) For the purposes of this section, a question of law shall not include a question whether there is sufficient evidence to justify a finding of fact by the Tribunal.

COMMENTARY

Section 30A was inserted by section 8 of the Copyright (Amendment) Act 1996 (Act A952), w.e.f. 1 September 1999. This section provides for the reference of a question of law to High Court.

. . .

Section 31. License to produce and publish translation

(1) Any person may apply to the Tribunal for a licence to produce

and publish in the national language or other vernacular languages in Malaysia a translation of a literary work written in any other language.

(2) The Tribunal, after holding such inquiry as it thinks necessary, may, subject to this section, grant to the applicant a licence (not being an exclusive licence) to produce and publish a translation of the work in the national language or other vernacular languages, on condition that the applicant shall pay to the owner of the right of translation in the work in respect of copies sold to the public, royalties at a rate to be determined by the Tribunal in the prescribed manner.

(3) A license may be granted on an application made under subsection (1) in respect of a work only where —

(a) a translation of the work in the national language or other vernacular languages has not been published by the owner of the copyright (or by any person authorized by him) within one year after the first publication of the work or, if such translation has been so published, it is out of print;

(b) (i) the applicant has requested and been denied authorization by the owner of that right to produce and publish the translation; or

(ii) the applicant, after due diligence on his part, is unable to trace or ascertain the owner;

(c) the applicant, if the nationality of the owner of the right of translation is known, has sent a copy of his request for the translation to the diplomat or consular representative of the state of which that owner is a national, or to the organization which may have been designated by the government of that state;

(d) the Tribunal is satisfied that —

(i) the applicant is able to produce and publish a correct translation of the work and possesses the means to pay to the owner of the right of translation the royalties payable under this section; and

(ii) the applicant undertakes to have the original title and the name of the author of the work printed on all copies of the published translation;

(e) the author of the work has not withdrawn it from circulation;

(f) an opportunity of being heard is first given, wherever practicable, to the owner of the right of translation in the work;

(g) a further period of nine months has elapsed from the fulfillment of the formalities mentioned in paragraphs (b) and (c) and, during this period, no translation in the national language or other vernacular languages has been published by the owner of the right of translation or with his authorization; and

(h) the translation is for the purpose of teaching, scholarship, or research.

(4) The license granted under this section shall not be transferable and shall not extend to the export of copies:

Provided that the sending of copies to another country by the government or any government organization shall not constitute export if all of the following conditions are met:

- (a) the recipients are individuals who are nationals of Malaysia or organizations grouping such individuals;
- (b) the copies are to be used only for the purpose of teaching, scholarship, or research;
- (c) the sending of the copies and their subsequent distribution to recipients is without any commercial purpose; and
- (d) the country to which the copies have been sent has agreed with Malaysia to allow the receipt, or distribution, or both.

(5) The license shall be valid only for publication of the translation in Malaysia, and all copies published under the license shall bear a notice in the national language or other vernacular languages stating that the copies are available for distribution only in Malaysia.

(6) Any license granted under this section shall terminate if a translation in the national language or other vernacular languages and with substantially the same content as that for which a license has been granted has been published by the owner of the right of translation or with his authorization at a price reasonably related to that charged in Malaysia for comparable works:

Provided that any copies already made before the license terminates may, however, continue to be distributed until their stock is exhausted.

(7) If the work to be translated consists mainly of illustrations, no license under this section shall be granted.

COMMENTARY

Section 31 provides for compulsory licensing on the production in the national language of a translation of a literary work written in any other language. This section corresponds with article 21 of the Berne Convention for the Protection of the Literary and Artistic Works (1971) (article 21 and article II of the Appendix to the Convention).

The amendments were made by the Copyright (Amendment) Act 2012 (Act A1420) section 24 which came into force on 1 March 2012.

. . .

Section 32. Deleted

COMMENTARY

Section 32 was deleted by section 9 of the Copyright (Amendment) Act 1996 (Act A952), w.e.f. 1 September 1999.

. . .

Section 33. Tribunal may request for information

(1) The Tribunal may request for such information as it may deem necessary for the purpose of exercising any of its powers and functions under the Act and any subsidiary legislation made thereunder.

(2) Any person who refuses to comply with such request by the Tribunal shall be guilty of an offense under the Act.

COMMENTARY

Any person who refuses to comply with the request of the Tribunal for information under section 33 will be guilty of an offense and, under section 43, will be liable to a fine not exceeding R25,000, or to imprisonment for a term not exceeding three years, or to both.

. . .

Section 34. No action to lie against Tribunal

No action or other legal proceedings shall lie against any member of the Tribunal for anything done or omitted to be done in good faith in connection with the exercise of the powers and functions of the Tribunal under the Act.

COMMENTARY

Section 34 absolves liability of the member of the Tribunal for omissions and things done in good faith in relation to the exercise of powers and functions of the Tribunal under the 1987 Act.

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Section 35. Regulations relating to Tribunal

The Minister may make regulations in respect of the Tribunal and in particular and without prejudice to the generality of the foregoing, in respect of the following matters:

- (a) prescribing the manner in which any matter may be referred to the Tribunal;
- (b) prescribing the procedure to be adopted by the Tribunal in dealing with any matter referred to it under the Act and the records to be kept by the Tribunal;
- (c) prescribing the manner in which the Tribunal shall be convened and the place where the Tribunal shall hold its sittings;
- (d) prescribing a scale of costs and fees payable in respect of any inquiry or proceedings before the Tribunal; and
- (e) generally for the better carrying out of the functions assigned to the Tribunal by the Act.

COMMENTARY

Section 35 confers power to the Minister to make regulations relating to the Copyright Tribunal.

PART VI

REMEDIES FOR INFRINGEMENTS AND OFFENSES

Section 36. Infringements

(1) Copyright is infringed by any person who does, or causes any other person to do, without the license of the owner of the copyright, an act the doing of which is controlled by copyright under the Act.

(2) Copyright is infringed by any person who, without the consent or license of the owner of the copyright, imports an article into Malaysia for the purpose of —

- (a) selling, letting for hire or, by way of trade, offering or exposing for sale or hire, the article;
 - (b) distributing the article —
 - (i) for the purpose of trade; or
 - (ii) for any other purpose to an extent that it will affect prejudicially the owner of the copyright; or
 - (c) by way of trade, exhibiting the article in public, where he knows or ought reasonably to know that the making of the article was carried out without the consent or license of the owner of the copyright.
- (3) . . . (5). (*Deleted*)

COMMENTARY

Subsections (3), (4), and (5) were deleted by section 25 of the Copyright (Amendment) Act 2012 (Act A1420) which came into force on 1 March 2012.

In relation to primary infringement, a person can be liable for a primary infringement even if he has no actual knowledge nor any reason to believe that he is infringing copyright. The position in Malaysia is likely to be analogous to the position in the United Kingdom. Innocence, or good faith, however, is a defense to the commission of a criminal offense under section 41 of the Act.

Parallel import is permissible under section 36(2) of the Act. However, the High Court, in the case of *Class One Video Distributions Cdn. Bhd. and Another v. Chanan Singh a/l Sher Singh and Another* (1997 5 MLJ 209), held that the fact that parallel import is allowed does not impinge on and is irrelevant to the interpretation of “copies” in section 13(1)(c), which should include copies of the work that are both lawfully and unlawfully made.

That case explicitly recognizes that the exhaustion principle is inapplicable to the distribution right of the copyright owner of a work already sold.

Section 36A Circumvention of technological protection measure

- (1) If a technological protection measure is applied to a copy of a work by or with the authorization of the owner of the copyright in the work, no person shall circumvent, or cause or authorize any other person to circumvent, the technological protection measure—
 - (a) that is used by the owner of the copyright in connection with the exercise of his rights under this Act; and
 - (b) that restricts acts in respect of his works which are not authorized by the owner concerned or permitted by law.
- (2) Subsection (1) does not apply if the circumvention of technological protection measure is—
 - (a) for the sole purpose of achieving interoperability of an independently created computer program with the original program or any other programs;
 - (b) for the sole purpose of identifying and analyzing flaws and vulnerabilities of encryption technology;
 - (c) for the sole purpose of testing, investigating or correcting the security of a computer, computer system or computer network;

(d) for the sole purpose of identifying and disabling an undisclosed capability to collect or disseminate personally identifying information about the online activities of a natural person;

(e) in relation to anything lawfully done for the sole purpose of—

- i. law enforcement;
- ii. national security; or
- iii. performing a statutory function; or

(f) done by a library, an archive or an educational institution for the sole purpose of making an acquisition decision in relation to a work in which copyright subsists.

(3) No person shall—

- (a) manufacture for sale or hire;
- (b) import otherwise than for his private and domestic use; or
- (c) in the course of a business—
 - i. sell or let for hire;
 - ii. offer or expose for sale or hire;
 - iii. advertise for sale or hire;
 - iv. possess; or
 - v. distribute;

(d) distribute for purposes other than in the course of a business to such an extent as to affect prejudicially the owner of the copyright; or

(e) offer to the public or provide any service in relation to, any technology, device or component which—

(A) is promoted, advertised or marketed for the purpose of the circumvention of technological protection measure;

(B) has only a limited commercially significant purpose or use other than to circumvent technological protection measure; or

(C) is primarily designed, produced, adapted or performed for the purpose of enabling or facilitating the circumvention of technological protection measure.

(4) The Minister may prescribe any technology, device or component which may operate as a technological protection measure to be exempted from the application of this section.

36B. Rights management information

(1) No person shall—

(a) remove or alter any electronic rights management information without authority; or

(b) distribute, import for distribution or communicate to the public, without authority, of works or copies of works knowing that electronic rights management information has been removed

or altered without authority,
and knowing or having reasonable grounds to know that such act will induce, enable, facilitate or conceal an infringement of any rights under this Act.

(2) Subsection (1) does not apply if the removal or alteration of any electronic rights management information without authority is—

(a) in relation to anything lawfully done for the sole purpose of—

- i. law enforcement;
- ii. national security; or
- iii. performing a statutory function; or

(b) done by a library, an archive or an educational institution for the sole purpose of making an acquisition decision in relation to a work in which copyright subsists.

(3) For the purposes of this section and section 41, “rights management information” means information which identifies the work, the author of the work, the owner of any right in the work, the performer or the terms and conditions of use of the work, any number or codes that represent such information, when any of these items is attached to a copy of a work or appears in connection with the communication of a work to the public.

COMMENTARY

Sections 36A and 36B were inserted by section 26 of the Copyright (Amendment) Act 2012 (Act A1420) which came into force on 1 March 2012.

. . .

Section 37. Action by owner of copyright and relief

(1) Infringements of copyrights and the prohibited acts under sections 36A and 36B shall be actionable at the suit of the owner of the copyright and, in any action for such an infringement or prohibited act, the court may grant the following types of

- (a) an order for injunction;
- (b) relief by way of damages;
- (c) an account of profits;
- (d) statutory damages of not more than twenty-five thousand ringgit for each work, but not more than five hundred thousand ringgit in the aggregate; or
- (e) any other order as the court deems fit.

(2) Notwithstanding subsection (1), all such relief shall be available to the plaintiff in an action under subsection 36A(3) except for statutory damages.

(3) In making an award under paragraph (1)(b), the court may also make an order under paragraph (1)(c) for an account of any profits attributable to the infringement or prohibited act that have not been taken into account in computing the damages.

(4) Except as provided in subsection (3), the types of relief referred to in paragraphs (1)(b), (c) and (d) are mutually exclusive.

(5) For the purpose of paragraph (1)(d), all parts of a collective work shall constitute one work.

(6) Where in an action under this section it is established that an infringement or a prohibited act under section 36A or 36B was committed but it is also established that at the time of the infringement or commission of the prohibited act the defendant was not aware, and had no reasonable grounds for suspecting, that the act was an infringement of the copyright or prohibited under section 36A or 36B, the plaintiff shall not be entitled under this section to any damages against the defendant in respect of the infringement or commission of the prohibited act, but shall be entitled to an account of profits or statutory damages whether or not any other relief is granted under this section.

(7) Where in an action under this section an infringement of copyright or the commission of a prohibited act under section 36A or 36B is established, the court may, in assessing damages for the infringement or commission of the prohibited act, award such additional damages as it may consider appropriate in the circumstances if it is satisfied that it is proper to do so having regard to—

(a) the flagrancy of the infringement or prohibited act;

(b) any benefit shown to have accrued to the defendant by reason of the infringement or prohibited act; and

(c) all other relevant matters.

(8) In awarding statutory damages under paragraph (1)(d), the court shall have regard to—

(a) the nature and purpose of the infringing act or prohibited act, including whether the infringing act or prohibited act was of a commercial nature or otherwise;

(b) the flagrancy of the infringement or prohibited act;

(c) whether the defendant acted in bad faith;

(d) any loss that the plaintiff has suffered or is likely to suffer by reason of the infringement or prohibited act;

(e) any benefit shown to have accrued to the defendant by reason of the infringement or prohibited act;

(f) the conduct of the parties before and during the proceedings;

(g) the need to deter other similar infringement or prohibited act; and

(h) all other relevant matters.

(9) An injunction shall not be issued in any proceedings under this section if it requires a completed or partly built building to be demolished or prevents the completion of a partly built building.

(10) For the purposes of this section and section 38—

(a) “action” includes a counterclaim, and reference to the plaintiff and to the defendant in an action shall be construed accordingly;

(b) “collective work” means a work in which relevant materials, constituting separate and independent works in themselves, are assembled into a collective whole; and

(c) “court” means the appropriate High Court in Malaysia.

(11) For the purpose of this section, “owner of the copyright” means the first owner or an assignee of the relevant part of the copyright.”

COMMENTARY

Section 37 was inserted by section 27 of the Copyright (Amendment) Act 2012 (Act A1420) which came into force on 1 March 2012.

Infringement of copyright and the prohibited acts under sections 36A and 36B are actionable at the suit of the owner of the copyright, and all such relief, by way of damages, injunction, account, of profits, statutory damages of not more than MYR25,000.00 for each work, but not more than MYR500,000.00 in the aggregate or any other order as the court deems fit.

. . .

Section 38. Proceedings in case of copyright subject to exclusive license

(1) This section shall have effect as to proceedings in the case of any copyright in respect of which an exclusive license has been granted and is in force at the time of the events to which the proceedings relate.

(2) Subject to this section, the exclusive licensee shall (except against the owner of the copyright) have the same rights of action, and be entitled to the same remedies, under section 37 as if the license had been an assignment, and those rights and remedies shall be concurrent with the rights and remedies of the owner of the copyright under that section.

(3) Where an action is brought either by the owner of the copyright or by the exclusive licensee, and the action, insofar as it is brought under section 37, relates (wholly or partly) to an infringement in respect of which they have concurrent rights of action under that section, the owner or licensee, as the case may be, shall not be entitled, except with the leave of the court, to proceed with the action, insofar as it is brought under that section and relates to that infringement, unless the other party is either joined as a plaintiff in the action or added as a defendant; but this subsection shall not affect the granting of an interlocutory injunction on the application of either of them.

(4) In any action brought by the exclusive licensee by virtue of this section, any defense which would have been available to a defendant in the action, if this section had not been enacted and the action has been brought by the owner of the copyright, shall be available to that defendant as against the exclusive licensee.

(5) Where an action is brought in the circumstances mentioned in

subsection (3) and the owner of the copyright and the exclusive licensee are not plaintiffs in the action, the court, in assessing damages in respect of any infringement as is mentioned in that subsection —

(a) if the plaintiff is the exclusive licensee, shall take into account any liabilities (in respect of royalties or otherwise) to which the license is subject; and

(b) whether the plaintiff is the owner of the copyright or the exclusive licensee, shall take into account any pecuniary remedy awarded to the other party under section 37 in respect of that infringement or, as the case may require, any right of action exercisable to the other party under that section in respect thereof.

(6) Where an action, insofar as it is brought under section 37, relates (wholly or partly) to an infringement in respect of which the owner of the copyright and the exclusive licensee have concurrent rights of action under that section and, in that section (whether they are both parties to it or not), an account of profits is directed to be taken in respect of that infringement, then subject to any agreement of which the court is aware whereby the application of those profits is determined as between the owner of the copyright and the exclusive licensee, the court shall apportion the profits between them as the court may consider just and shall give such directions as the court may consider appropriate for giving effect to the apportionment.

(7) In an action brought either by the owner of the copyright or by the exclusive licensee —

(a) no judgment or order for the payment of damages or statutory damages in respect of an infringement of copyright shall be given or made under section 37, if a final judgment or order has been given or made awarding an account of profits to the other party under that section in respect of the same infringement; and

(b) no judgment or order for an account of profit in respect of an infringement of copyright shall be given or made under that section, if a final judgment or order has been given or made awarding either damages, statutory damages or an account of profits to the other party under that section in respect of the same infringement.

(8) Where, in an action brought in the circumstances mentioned in subsection (3), whether by the owner of the copyright or by the exclusive licensee, the other party is not joined as a plaintiff (either at the commencement of the action or subsequently) but is added as a defendant, he shall not be liable for any costs in the action unless he enters an appearance and takes part in the proceedings.

(9) For the purposes of this section, the expression —

– “exclusive license” means a license signed by or on behalf of an owner or a prospective owner of copyright authorizing the licensee, to the exclusion of all other persons, to exercise a right

which by virtue of the Act would (apart from the license) be exercisable exclusively by the owner of the copyright; and “exclusive licensee” shall be construed accordingly;

– “if the license had been an assignment” means if, instead of the license, there had been granted (subject to terms and conditions corresponding as nearly as may be with those subject to which the license was granted) an assignment of the copyright in respect of its or their application to the doing, at the place and time authorized by the license, of the acts so authorized;

– “the other party”, in relation to the owner of the copyright, means the exclusive licensee and, in relation to the exclusive licensee, means the owner of the copyright.

COMMENTARY

The insertion in section 38(7) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 28 which came into force on 1 March 2012.

The exclusive licensee will, except against the owner of the copyright, have the same rights of action and remedies under the 1987 Act as if the license had been an assignment. These rights and remedies will be concurrent with the rights and remedies of the owner of the copyright.

Where the action is brought either by the owner of the copyright or by the exclusive licensee and the action, whether wholly or partly, relates to an infringement in respect of which they have concurrent rights of action under the 1987 Act, the owner or the licensee, as the case may be, will not be entitled except with the leave of the court to proceed with the action unless the other party is either joined as a plaintiff or added as a defendant in that action. This provision shall not affect the granting of an interlocutory injunction on an application of either of them.

. . .

39. Restriction on importation of infringing copies

(1) The owner of copyright in any work, or any person authorized by him may make an application to the Controller to request that during a period specified in the application copies of the work to which this section applies be treated as infringing copies.

(1A) The application under subsection (1) —

(a) shall be in such form as may be prescribed;

(b) shall state that the person named in it is the owner of the copyright; and

(c) shall be supported by such documents and information, and accompanied by such fee, as may be prescribed;

(2) This section shall apply to any copy of a work made outside Malaysia the making of which was carried out without the consent or license of the owner of the copyright in the work.

(2A) On receipt of the application under subsection (1), the Controller shall determine the application and the Controller shall within a reasonable period inform the applicant by a written notice whether the application has been approved and specify the period during which the copies will be treated as infringing copies.

(3) Where the application is approved by the Controller in respect

of a work and the application is not withdrawn, the importation of any infringing copies into Malaysia for the duration of the period specified in the Controller's notice shall be prohibited:

Provided that this subsection shall not apply to the importation of any copy by a person for his private and domestic use.

(4) (deleted)

(5) The Controller shall require any person making an application under subsection (1) —

(a) to deposit a security which in the Controller's opinion is sufficient to reimburse the government for any liability or expenses which may be incurred in consequence of the detention at any time within the period specified in the Controller's notice of any infringing copies or in consequence of anything done in relation to a copy so detained; and

(b) whether or not a security is given, to keep the Controller indemnified against any liability or expenses referred to in paragraph (a).

COMMENTARY

Under the original section 39, the owner of a copyright could give notice in writing to the Minister in charge and requesting the Minister during a period specified in a notice to treat as prohibited goods copies of infringing works. The Amendment Act 2000 simplified and clarified the procedures involved by providing the above.

(6) Any Assistant Controller, police officer not below the rank of Inspector, or any officer of Customs may search for and seize any infringing copies which are prohibited from being imported into Malaysia under subsection (3).

(7) Whenever any infringing copies are seized under this section, the seizing officer shall forthwith give notice in writing of such seizure and the grounds thereof to the owner of the infringing copies if known, either by delivering such notice to him personally or by post at his residence, if known:

Provided that such notice shall not be required to be given where such seizure is made on the person, or in the presence of the offender or the owner or his agent, or in the case of a vessel or aircraft, in the presence of the master or pilot, as the case may be.

(8) Infringing copies shall be liable to forfeiture as if they were prohibited goods under the law relating to Customs.

(9) The Minister may make such regulations as he thinks necessary or expedient for the purpose of this section.

COMMENTARY

The word within square brackets in subsection (1) was inserted by section 10(a) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

Subsections (2) and (3) were amended by section 10(b) and (c) of the Copyright Act 1990 (Act A775), respectively, w.e.f. 1 October 1990.

The words within square brackets in subsection (6) were inserted by section 10(d) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 October 1990.

The owner of copyright in any work also may give notice in writing to the Minister, stating that he is the owner of the copyright in the mark and requesting that the Minister treat as prohibited goods copies of the work made outside Malaysia without his consent or license. The importation of any infringing copies into Malaysia for the duration of the period specified in the notice shall be prohibited except where the importation is for the importer's private and domestic use. Any infringing copies shall be liable to forfeiture as if they were prohibited goods under the law relating to Customs. This form of remedy is only available to the first owner or an assignee.

. . .

Section 39A. Application of sections 36, 37m 38m and 39 to performers' rights

Sections 36, 37, 38, and 39 shall apply *mutatis mutandis* to performers' rights.

Section 40. Back-up copy of computer program

(1) Notwithstanding any express contract condition to the contrary, the copyright in a literary work in the form of a computer program is not infringed by the making of a reproduction of the work or of a computer program being an adaptation of the work, if

—

(a) the reproduction is made by, or on behalf of, the owner of the copy (in this section referred to as "the original copy") from which the reproduction is made; and

(b) the reproduction is made for the purpose only of being used, by or on behalf of the owner of the original copy, in lieu of the original copy in the event that the original copy is lost, destroyed, or rendered unusable.

(2) Subsection (1) does not apply to the making of a reproduction of a computer program, or of an adaptation of a computer program

—

(a) from an infringing copy of the computer program; or

(b) contrary to an express direction by or on behalf of the owner of the copyright in the computer program given to the owner of the original copy not later than the time when the owner of the original copy acquired the original copy.

(3) For the purposes of this section —

(a) a reference to a copy of a computer program or of an adaptation of a computer program is a reference to any article in which the computer program or adaptation is reproduced in a material form; and

(b) a reference to an express direction, in relation to a copy of a computer program, or of an adaptation of a computer program, includes a reference to a clearly legible direction printed on the copy or on a package in which the copy is supplied.

COMMENTARY

The amendment in section 40(1) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 29 which came into force on 1 March 2012.

In the absence of any contractual provision to the contrary, the making of back-up copies is permitted as a matter of precaution. The back-up copy must be made from a legitimate copy.

It must be made only for the purpose of being used by or on behalf of the owner of the original copy in lieu of it being lost, destroyed, or rendered unusable. However, the right to make back-up copies under this section is restricted to the “owner of the original copy”.

Section 41. Offenses

(1) Any person who during the subsistence of copyright in a work or performers' right —

- (a) makes for sale or hire any infringing copy;
- (b) sells, lets for hire or, by way of trade, exposes or offers for sale or hire any infringing copy;
- (c) distributes infringing copies;
- (d) has in his Possession, custody or control, otherwise than for his private and domestic use, any infringing copy;
- (e) by way of trade, exhibits in public any infringing copy;
- (f) imports into Malaysia, otherwise than for his private and domestic use, an infringing copy;
- (g) makes or has in his possession any contrivance used or intended to be used for the purposes of making infringing copies;
- (h) circumvents or causes or authorizes the circumvention of any effective technological measures referred to in subsection 36(A)(1);
- (ha) manufactures, imports or sells any technology or device for the purpose of the circumvention of technological protection measure referred to in subsection 36A(3);
- (i) removes or alters any electronic rights management information referred to in section 36B without authority; or
- (j) distributes, imports for distribution or communicates to the public, without authority, works or copies of works in respect of which electronic rights management information has been removed or altered without authority,

shall, unless he is able to prove that he had acted in good faith and had no reasonable grounds for supposing that copyright or performers' right would or might thereby be infringed, be guilty of an offence and shall on conviction be liable—

- (i) in the case of an offence under paragraphs (a) to (f), to a fine of not less than two thousand ringgit and not more than twenty thousand ringgit for each infringing copy, or to imprisonment for a term not exceeding five years or to both and for any subsequent offence, to a fine of not less than four thousand ringgit and not more than forty thousand ringgit for each infringing copy or to imprisonment for a term not exceeding ten years or to both;
- (ii) in the case of an offence under paragraphs (g) and (ha), to a

fine of not less than four thousand ringgit and not more than forty thousand ringgit for each contrivance in respect of which the offence was committed or to imprisonment for a term not exceeding ten years or to both and for any subsequent offence to a fine of not less than eight thousand ringgit and not more than eighty thousand ringgit for each contrivance in respect of which the offence was committed or to imprisonment for a term not exceeding twenty years or to both;

(iii) in the case of an offence under paragraphs (h), (i) and (j), to a fine not exceeding two hundred and fifty thousand ringgit or to imprisonment for a term not exceeding five years or to both and for any subsequent offence, to a fine not exceeding five hundred thousand ringgit or to imprisonment for a term not exceeding ten years or to both.

(2) For the purposes of paragraphs (1)(a)-(f), any person who has in his possession, custody, or control three or more infringing copies of a work or recording in the same form shall, unless the contrary is proved, be presumed to be in possession of or to import such copies otherwise than for private or domestic use.

(3) Any person who causes a literary or musical work, sound recording or film to be performed in public shall be guilty of an offence under this subsection unless he is able to prove that he had acted in good faith and had no reasonable grounds for supposing that copyright would or might thereby be infringed.

(4) Where an offence under this section is committed by a body corporate or by a person who is a partner in a firm, every director, chief executive officer, chief operating officer, secretary, manager or other similar officer of the body corporate or every other partner in the firm or was purporting to act in any such capacity or was in any manner or to any extent responsible for the management of the affairs of the body corporate or firm or was assisting in such management, as the case may be, shall be deemed to be guilty of the offence and may be charged severally or jointly in the same proceedings with the body corporate or firm unless he proves that the offence was committed without his consent or connivance and that he exercised all due diligence to prevent the commission of the offence.

COMMENTARY

Section 41 provides that any person committing any of the offenses mentioned in the section is guilty of an offense unless the accused is able to prove that he “had acted in good faith and had no reasonable grounds for supposing that copyright would or might thereby be infringed”.

The amendment in section 41 subsection (1) paragraphs (i), (ii) and (iii) were made by the Copyright (Amendment) Act 2003 (Act A1195) section 3 which came into force on 1 October 2003.

The amendments in section 41 subsection (1) paragraphs (d), (h), (i) and (ii), and subsections (3) and (4), were made by the Copyright (Amendment) Act 2012 (Act A1420) section 30 which came into force on 1 March 2012.

Offenses under the 1987 Act are sizable offenses, and criminal action is initiated by lodging a report with the Controller of Copyright, who is part of

the Enforcement Unit of the Ministry of Domestic Trade and Consumer Affairs, or the police. The Assistant Controller or the police will raid the premises of the infringer, take into custody, *inter alia*, the infringing material the continuances associated and file charges in the Sessions Court. Any criminal prosecution before the Sessions Court for an offense under the 1987 Act may be conducted by an Assistant Controller or a police officer not below the rank of Inspector.

. . .

Section 41A. Compounding of offenses

(1) The Controller or a Deputy Controller or any person authorized in writing by the Controller may with the written consent of the Public Prosecutor compound any offence under any subsidiary legislation made under this Act which is prescribed to be a compoundable offence by accepting from the person reasonably suspected of having committed such offence a sum of money not exceeding such amount as may be prescribed.

(2) Upon receipt of the payment under subsection (1), no further proceedings shall be taken against such person in respect of such offence and, where possession has been taken of any goods, such goods may be released, subject to such conditions as may be imposed in accordance with the conditions of the compound.

(3) (Deleted).

COMMENTARY

Section 41A was inserted by section 10 of the Copyright (Amendment) Act 1996 (Act A952), w.e.f. 1 September 1999. It is uncertain if the offer to pay the compound is at the option of the accused.

The words “or any person authorized in writing by the Controller may with the written consent of the Public Prosecutor compound” were amended by the Copyright (Amendment) Act 2002 (Act A1139) section 5(a) which came into force on 3 March 2002. Subsection 3 was deleted by the Copyright (Amendment) Act 2002 (Act A1139) section 5(b).

The words “any subsidiary legislation made under this Act” were amended by the Copyright (Amendment) Act 2003 (Act A1195) section 4 which came into force on 1 October 2003.

. . .

Section 42. Affidavit admissible in evidence

(1) An affidavit, certified extracts of the Register of Copyright referred to in section 26B or statutory declaration made before any person having authority to administer oath by or on behalf of any person claiming to be —

(a) the owner of the copyright in any works eligible for copyright under this Act stating that —

(i) at the time specified therein copyright subsisted in such work;

(ii) he or the person named therein is the owner of the copyright; and

(iii) a copy of the work annexed thereto is the true copy thereof; or

(b) the performer in a performance eligible for performers' right under this Act, stating that —

(i) at the time specified therein, performers' right subsisted in such live performance;

(ii) he or the person named therein is the performer; and

(iii) a copy of the document annexed thereto is the document which proves that he or the person named therein performed in the performance,

shall be admissible in evidence in any proceedings under this Act and shall be *prima facie* evidence of the facts contained therein

(2) Any person who is authorized to act on behalf of the owner of the copyright or the performer for the purposes of subsection (1) shall be required to produce such authorization in writing.

COMMENTARY

The amendment in subsection 42(1) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 31 which came into force on 1 March 2012.

The purpose of section 42 is to facilitate and expedite criminal prosecution of copyright offenses (although the statutory declaration or affidavit also is admissible in civil proceedings) by dispensing with the need to adduce oral evidence to establish the subsistence and ownership of copyright since such affidavit or statutory declaration constitutes *prima facie* proof of these issues.

It is thus up to the defense or the defendant to challenge the contents of the affidavit or statutory declaration, and section 42 has the effect of reversing the burden of proving the subsistence and ownership of copyright.

Section 42 provides for an avenue whereby a copyright owner may prove his ownership to a copyrighted work by swearing an affidavit or statutory declaration, claiming ownership of the copyright subsisting in the specified works exhibited therein. The Amendment Act 1082/2000 extends the application of this section to a live performance eligible for performers' rights.

Furthermore, the Amendment Act addressed an uncertainty in the provisions. Hitherto, the relevant affidavit or statutory declaration must be sworn by the owner or his agent. The Amendment Act simplifies the procedure by stating that the affidavit or statutory declaration can be made "by or on behalf of any person claiming to be the owner or the performer in a live performance eligible for performers' right".

. . .

Section 43. Penalty

Any person who is guilty of an offence under this Act or any regulations made thereunder for which no special penalty is provided shall on conviction be liable to a fine not exceeding ten thousand ringgit and not more than fifty thousand ringgit or to imprisonment for a term not exceeding five years or to both.

COMMENTARY

The amendment was made by the Copyright (Amendment) Act 2003 (Act A1195) section 5 which came into force on 1 October 2003.

PART VIA

ANTI-CAMCORDING

Section 43A. Offences relating to anti-camcording

(1) Any person who operates an audiovisual recording device in a

screening room to record any film in whole or in part shall be guilty of an offence and shall on conviction be liable to a fine of not less than ten thousand ringgit and not more than one hundred thousand ringgit or to imprisonment for a term not exceeding five years or to both.

(2) Any person who is guilty of an attempt to commit an offence under subsection (1) shall on conviction be liable to a fine of not less than five thousand ringgit and not more than fifty thousand ringgit or to imprisonment for a term not exceeding one year or to both.

(3) For the purpose of this section—

“audiovisual recording device” means any device which is capable of recording or transmitting a motion picture or any part thereof;

“motion picture” means film;

“screening room” means any venue which is utilized for the exhibition or screening of a motion picture, including a motion picture theatre.

PART VIB

LIMITATION OF LIABILITIES OF THE SERVICE PROVIDER

Section 43B. Interpretation

For the purpose of this Part—

“another network” means any type of network that is able to connect with the primary network;

“court” means the appropriate High Court in Malaysia;

“electronic copy”, in relation to any work, means a copy of the work in an electronic form and includes the original version of the work in that form on a network;

“originating network” means another network from which an electronic copy originates;

“primary network”, in relation to a service provider, means a network controlled or operated by or for the service provider;

“routing” means directing or choosing the means or routes for the transmission of data;

“service provider”—

(a) for the purpose of section 43C, means a person who provides services relating to, or provides connections for, the access, transmission or routing of data; and

(b) for the purpose of this Part other than section 43C, means a person who provides, or operates facilities for, online services or network access and includes a person referred to in paragraph (a).

Section 43C. Transmission, routing and provision of connections.

(1) A service provider shall not be held liable for infringement of copyright in any work if the infringement occurs by reason of—

(a) the transmission or routing, or the provision of connections, by the service provider of an electronic copy of the work through its primary network; or

(b) any transient storage by the service provider of an electronic copy of the work in the course of such transmission, routing or provision of connections:

Provided that—

(A) the transmission of the electronic copy of the work was initiated by or at the direction of a person other than the service provider;

(B) the transmission, routing, provision of connections or storage is carried out through an automatic technical process without any selection of the electronic copy of the work by the service provider;

(C) the service provider does not select the recipient of the electronic copy of the work except as an automatic response to the request of another person; or

(D) the service provider does not make any modification, other than a modification made as part of a technical process, to the content of the electronic copy of the work during its transmission through the primary network.

(2) Where infringing material has been identified to come from an online location outside Malaysia or from a specified account and if the court is satisfied that subsection (1) applies to the service provider, the court may order the service provider—

(a) to take reasonable steps to disable access to an online location that is physically situated outside Malaysia; or

(b) to terminate the specified account.

Section 43D. System Caching

(1) A service provider shall not be held liable for infringement of copyright for the making of any electronic copy of the work on its primary network if it is—

(a) from an electronic copy of the work made available on an originating network;

(b) through an automatic process;

(c) in response to an action by a user of its primary network; or

(d) in order to facilitate efficient access to the work by a user:

Provided that—

(A) the service provider does not make any substantive modification, other than a modification made as part of a technical process, to the content of the electronic copy during the transmission of such copy to users of its primary network or another network; and

(B) the service provider satisfies such other conditions as the Minister may determine in relation to—

(i) access to the electronic copy by users of its primary network or another network;

(ii) the refreshing, reloading or updating of the electronic copy; and

(iii) non-interference with the technology used at the originating network to obtain information about the use of any work on the originating network, being technology that is consistent with industry standards in Malaysia.

(2) A service provider shall not be held liable under this section if the copyright owner or his agent has not given any notification under section 43H.

Section 43E. Storage and Information Location tools

(1) A service provider shall not be held liable for infringement of copyright in any work where such infringement occurs by reason of—

(a) the electronic copy of the work being stored at the direction of a user of its primary network;

(b) the service provider referring or linking a user to an online location on an originating network at which an electronic copy of the work is made available by the use of an information location tool such as a hyperlink or directory, or an information location service such as a search engine, if—

(i) the service provider—

(A) does not have actual knowledge that the electronic copy of the work or activity is infringing; or

(B) in the absence of such actual knowledge, is not aware of the facts or circumstances from which the infringing activity is apparent;

(ii) the service provider does not receive any financial benefit directly attributable to the infringement of the copyright in the work that occurs in, or in the course of, making available the electronic copy on its primary network or on another network, and that the service provider does not have the right and ability to control the infringing activity; and

(iii) upon receipt of a notification of any infringement under section 43H, the service provider responds within the time specified to remove or disable access to the material that is claimed to be infringing or to be the subject of the infringing activity.

(2) In determining whether a financial benefit is directly attributable to the infringement of copyright in the work, the court shall have regard to—

(a) the industry practice in relation to the charging of services by a service provider;

(b) whether the financial benefit was greater than the benefit

that would usually result from charging in accordance with accepted industry practices; and

(c) any other matter that the court considers relevant.

(3) A service provider shall not be held liable under this section if the copyright owner or his agent has not given any notification under section 43H.

Section 43F. Exemption of service provider from liability for removal of copy or other activities from network.

(1) A service provider acting in compliance with subsection 43H(1) and in accordance with this Part shall not be subject to any liability in respect of an action taken in good faith in relation to—

(a) the removal of an electronic copy of a work from its primary network; or

(b) the disabling of access to an electronic copy of a work on its primary network or another network.

(2) Upon removing or disabling access to an electronic copy of a work under subsection (1), the service provider shall notify, as far as may be practicable, the person who made available the electronic copy of the action taken by the service provider and enclosing therewith a copy of the notification received by it pursuant to subsection 43H(1).

(3) Notwithstanding anything to the contrary, if—

(a) as a result of a settlement between the copyright owner of the work and the person who made available the electronic copy of the work, the service provider receives a written notification from either party to restore the electronic copy to the network or to restore access to that copy; or

(b) the person who made available the electronic copy of the work was adjudicated by any court or tribunal as the rightful copyright owner of the work,

the service provider shall, as far as practicable—

(A) restore the electronic copy of the work to its primary network; or

(B) restore access to the electronic copy of the work on its primary network or another network:

Provided that the service provider is furnished with the proper documentation relating to the settlement between the parties or judgment or decision of the court or tribunal.

(4) A service provider shall not be treated as having authorized the doing of any act which is an infringement of copyright under this Act solely by reason of the service provider having provided a facility which was used by a person to perform the infringing act.

Section 43G. Information on service provider

(1) In providing its service to the users, a service provider shall make available the following information in a manner which is accessible to any person using the service:

(a) the name and address of the service provider; and

(b) the details and particulars of a designated agent to receive any complaint or notice regarding an allegation of infringement of copyright.

(2) Failure by a service provider to comply with subsection (1) shall not entitle the service provider to rely on the protection provided under this Part.

Section 43H. Notification by copyright owner and its effect

(1) If an electronic copy of any work accessible in a network infringes the copyright of a work, the owner of the copyright which has been infringed may notify the service provider of the network of such infringement by issuing to the service provider a notification in the manner as determined by the Minister, requiring the service provider to remove or disable any access to the electronic copy on the service provider's network:

Provided that the owner of the copyright shall undertake to compensate the service provider or any other person against any damages, loss or liability arising from the compliance by the service provider of such notification.

(2) A service provider who has received a notification under subsection (1) shall remove or disable any access to the infringing electronic copy on its network not later than forty-eight hours from the time the notification was received.

(3) The person whose electronic copy of the work was removed or to which access has been disabled pursuant to subsection (2) may issue to the service provider a counter notification in the manner as may be determined by the Minister, requiring the service provider to restore the electronic copy or access to it on the service provider's primary network:

Provided that the person shall undertake to compensate the service provider or any other person against any damages, loss or liability arising from the compliance by the service provider of such counter notification.

(4) A service provider shall—

(a) upon receipt of a counter notification, promptly provide the issuer of the notification under subsection (1) with a copy of the counter notification and inform such issuer that the removed material or access to the said material will be restored in ten business days; and

(b) restore the removed material or access to it not less than ten business days following receipt of the counter notification, unless the service provider has received another notification from the issuer of the notification under subsection (1) that he has filed an action seeking a court order to restrain the issuer of the counter notification under subsection (3) from engaging in any infringing activity relating to the material on the service provider's network.

(5) A counter notification shall be issued to the service provider's designated agent containing the following information:

(a) a physical or electronic signature of the subscriber;

(b) identification of the material that has been removed or to which access has been disabled and the location at which the material appeared before it was removed or access to it was disabled;

(c) a statement under penalty of perjury that the issuer has a good faith belief that the material was removed or disabled as a result of mistake or misidentification of the material to be removed or disabled; and

(d) the issuer's name, address, telephone number and a statement that the issuer consents to the jurisdiction of the court in which the address is located, or if the issuer's address is outside Malaysia, in which the service provider may be found, and that the subscriber will accept service of process from the person who provided the notification under subsection (1) or an agent of such person.

Section 43I. Maker of false notice guilty of offence and liable in damages

(1) If a person making a notification in accordance with section 43H makes any statement which is false, which he knows to be false or does not believe to be true, and which touches on any point material to the object of the notice—

(a) he shall be guilty of an offence and shall on conviction be liable to a fine not exceeding one hundred thousand ringgit or to imprisonment for a term not exceeding five years or to both; and

(b) he shall be liable to compensate any person who suffers any loss or damages as a result of making the notification.

(2) Subsection (1) shall apply whether or not the statement is made in Malaysia, and if a person makes the statement outside Malaysia, he may be dealt with under paragraph (1)(a) as if the offence was committed in Malaysia.

COMMENTARY

Parts VIA and VIB were inserted after Part VI by the Copyright (Amendment) Act 2012 (Act A1420) section 32 which came into force on 1 March 2012.

. . .

PART VII ENFORCEMENT

Section 44. Entry by warrant or otherwise

(1) In every case where information is given on oath to any magistrate that there is reasonable cause for suspecting that there is in any house or premises any infringing copy or any contrivance used or intended to be used for making infringing copies or capable of being used for the purpose of making infringing copies, or any other

article, [vehicle,] book, or document by means of or in relation to which any offense under section 41 has been committed, he shall issue a warrant under his hand by virtue of which any Assistant Controller or police officer not below the rank of Inspector named or referred to in the warrant may enter the house or premises at any reasonable time by day or night and search for and seize any such copy, contrivance, article, [vehicle,] book, or document:

Provided that if an Assistant Controller or a police officer not below the rank of Inspector is satisfied on information received that he has reasonable grounds for believing that by reason of delay in obtaining a search warrant, any copy, contrivance, article, [vehicle,] book, or document used to commit or to be used to commit an offense under the Act is likely to be removed or destroyed, he may enter such house or premises without a warrant and seize any such copy, contrivance, article, [vehicle,] book, or document from therein.

(1A) An Assistant Controller or a police officer not below the rank of Inspector entering any house or premises by virtue of subsection (1) may take with him such other persons and such equipment as may appear to him necessary; and on leaving any house or premises which he has entered he shall, if the house or premises is unoccupied or the occupier is temporarily absent, leave it as effectively secured against trespassers as he found it.

(2) An Assistant Controller or a police officer not below the rank of Inspector making the search may seize any infringing copy, copy suspected to be an infringing copy, contrivance used or intended to be used for making infringing copies or capable of being used for the purpose of making infringing copies, or any other article, vehicle, book, or document and, if any such copy, contrivance, article, vehicle, book, or document is seized, he shall produce the same before the magistrate, and on such production the magistrate shall direct the same to be kept in the custody of the Controller or Assistant Controller or the police for the purpose of any investigation or prosecution under the Act:

Provided that where, on any such seizure, any such copies, contrivances, articles, vehicles, books, or documents are kept in the custody of the Controller or Assistant Controller or the police and where it is found, by reason of their nature, size, or amount that it is not practical to produce the same before the magistrate, it shall be sufficient for the purposes of this subsection for the seizure to be reported to the magistrate.

(3) If it is found, by reason of their nature, size, or amount that it is not practical to remove from where they are found such things or documents seized by an Assistant Controller or a police officer not below the rank of Inspector and the Assistant Controller or the police officer has sealed the same in the premises or container in which they are found pursuant to the provisions of section 47, it shall be sufficient for the purpose of producing the same before the magistrate under subsection (2) for the seizure to be reported to the magistrate or for the magistrate to view the same in such premises or container.

COMMENTARY

The words within the square bracket in subsection (1) and section 1A, 2, and 3 were inserted by section 12 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 October 1990.

Offenses under the 1987 Act are seizable offenses, and criminal action is initiated by lodging a report with the Controller of Copyright, from the Enforcement Unit of the Ministry of Domestic Trade and Consumer Affairs or the police.

A police officer not below the rank of Inspector will include any police officer who is acting, or on probation, or cadetship in the rank of Inspector.

Recently, in a further collaborative effort at bolstering the effectiveness of enforcement in curbing piracy, a special Copyright Taskforce was established. This is a joint effort by various government departments, notably, the Ministry of Domestic Trade and Consumer Affairs, the Ministry of Home Affairs, the Royal Customs and Excise Department, the Ministry of International Trade and Industry, and the Ministry of Energy, Communications and Multimedia, in full cooperation with the private enforcement agencies, such as the Recording Industry of Malaysian (RIM), the Motion Pictures Association (MPA), the Business Software Alliance (BSA), the Music Authors' Copyright Protection (MACP), the Phonographic Performance (Malaysia) Cdn. Bhd. (PPM), and the International Federation of the Phonographic Industry (IFPI).

The Taskforce promises to increase its vigilance at combating piracy and, due to the involvement of all the affected bodies, the enforcement strategies are expected to be more coordinated.

. . .

Section 45. Effecting entry, removal, and detention

Any Assistant Controller or police officer not below the rank of Inspector may in the exercise of his powers under section 44, if it is necessary so to do —

- (a) break open any outer or inner door of the dwelling house or any other premises and enter thereinto;
- (b) forcibly enter the place and every part thereof;
- (c) remove by force any obstruction to entry, search, seizure, and removal as he is empowered to effect; and
- (d) detain every person found in the place until the place has been searched.

COMMENTARY

Any infringing materials found may be taken into custody for charges to be filed in court. For the meaning of obstruction, see the commentary to section 48.

Section 45A. Access to computerized or digitalized data

(1) Any Assistant Controller or a police officer not below the rank of Inspector shall, in the exercise of his powers under section 44, if it is necessary, be given access to computerized or digitalized data whether stored in a computer or any other medium.

(2) For the purpose of this section, “access” includes being provided with the necessary password, encryption code, decryption code, software or hardware and any other means required to enable comprehension of the computerized data.

COMMENTARY

A new section 45A was inserted after section 45 by the Copyright (Amendment) Act 2012 (Act A1420) section 33 which came into force on 1 March 2012.

. . .

Section 46. List of things seized

(1) The Assistant Controller or police officer not below the rank of Inspector seizing any infringing copy, [any copy suspected to be an infringing] copy, contrivance, article, [vehicle,] book, or document under this Part shall prepare a list of the things seized and forthwith deliver a copy signed by him to the occupier, or his agents, or servants present in the premises.

(2) If the premises are unoccupied, the Assistant Controller or police officer not below the rank of Inspector shall wherever possible post a list of the things seized on the premises.

COMMENTARY

The words within the square brackets in subsection (1) were inserted by section 13 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 October 1990.

The documents incorporating the list of things seized are treated as the first information report and are relied on at the trial of the accused.

. . .

Section 47. Sealing of things

Where it appears to an Assistant Controller or a police officer not below the rank of Inspector that it is not practical to remove from where they are found, any thing or document seized by him in the exercise of his powers under the Act, by reason of their nature, size, or amount, he may by any means seal such things or documents in the premises or container in which they are found and it shall be an offense for any person without lawful authority to break, tamper with or damage such seal or remove such things or documents or to attempt to do so.

COMMENTARY

Section 47 provides for a situation where it is impractical to remove items seized. It allows the Assistant Controller and police officer not below the rank of Inspector to seal off premises or containers in which the items are found.

. . .

Section 48. Obstruction to search, etc.

Any person who —

(a) refuses any Assistant Controller or police officer not below the rank of Inspector access to any place;

(b) assaults, obstructs, hinders, or delays any Assistant Controller or police officer not below the rank of Inspector in effecting any entry which he is entitled to effect under the Act, or in the execution of any duty imposed or power conferred by the Act;

(c) refuses to give to any Assistant Controller or police officer not below the rank of Inspector any information relating to an offense or suspected offense under the Act or any other information which may reasonably be required of him and which he has in his knowledge or power to give;

(d) with a view to deceiving any public officer in the execution of the provisions of the Act, or with a view to procuring or influencing the doing or omission of anything in relation to the Act, knowingly gives any false information or makes any statement which is false and which he either knows or believes to be false or does not believe to be true; or

(e) in the affidavit or statutory declaration referred to in subsection (1) of section 42, makes any statement which is false, and which he either knows or believes to be false or does not believe to be true, touching any point material to the object for which the affidavit or declaration is made or used under subsection 42(1), shall be guilty of an offence.

COMMENTARY

Paragraphs (d) and (e) were amended by section 14(c) and (d) of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 October 1990.

It was held, in *Tan Teck Yam v. PP* (1965 1 MLJ 57), that obstruction need not be physical violence. There is authority which goes as far as stating anything which makes it more difficult for a person to carry out his duty amounts to obstruction (*Hincliffe v. Sheldon* (1955 3 All ER 406)).

. . .

Section 49. Warrant admissible notwithstanding defects, etc.

A warrant issued under the Act shall be valid and enforceable notwithstanding any defect, mistake, or omission in the warrant or in the application for such warrant and any copy, contrivance, article, vehicle, book, or document seized under such warrant shall be admissible in evidence in any proceedings under the Act.

COMMENTARY

Section 49 was amended by section 15 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987. Section 49 only applies to a seizure under a defective warrant.

. . .

Section 50. Powers of investigation

(1) Any Assistant Controller or police officer not below the rank of Inspector shall have the power to investigate the commission of any offense under the Act or subsidiary legislation made thereunder.

(2) Any Assistant Controller or police officer not below the rank of Inspector may, in relation to any investigation in respect of any offense under the Act or subsidiary legislation made thereunder, exercise the special powers in relation to police investigation except that the power to arrest without warrant given by the Criminal Procedure Code in seizable cases given by the Criminal Procedure Code.

COMMENTARY

The powers of investigation are shared equally between the police and the enforcement unit although, in practice, the role of the police is no more than peripheral. However, as Assistance Controllers have no power to arrest without warrant, the police must intervene in certain situations.

The powers of investigation vested in the enforcement unit are confined only to cases involving criminal offenses under the 1987 Act. There is nothing to suggest that these powers may be exercised or that the Controller is under any duty to assist when the copyright owners are pursuing civil remedies in infringement cases.

The deletion in subsection 50(2) was made by the Copyright (Amendment) Act 2003 (Act A1195) section 6 which came into force on 1 October 2003.

The amendment in subsection 50(2) was made by the Copyright (Amendment) Act 2012 (Act A1420) section 34 which came into force on 1 March 2012.

Section 50A. Power of Arrest

(1) Any Assistant Controller may arrest without warrant any person whom he reasonably believes has committed or is attempting to commit seizable offence under this Act or any regulations made thereunder.

(2) Any Assistant Controller making an arrest under subsection (1) shall without unnecessary delay make over the person so arrested to the nearest police officer or, in the absence of a police officer, take such person to the nearest police station, and thereafter the person shall be dealt with as is provided for by the law relating to criminal procedure for the time being in force as if he had been arrested by a police officer.

COMMENTARY

The insertion of the new section 50A was made by the Copyright (Amendment) Act 2003 (Act A1195) section 7 which came into force on 1 October 2003. By virtue of section 50A, the Assistant Controllers are given the power of arrest which ordinarily is the power of a police officer.

Section 50B. Power to intercept communications

(1) Notwithstanding the provisions of any other written law, the Public Prosecutor, if he considers that any communications is likely to contain any information which is relevant for the purpose of any investigation into an offence under this Act or its subsidiary legislation, may, on the application of an Assistant Controller or a police officer not below the rank of Inspector, authorize the officer to intercept or to listen to any communications transmitted or received by any communications.

(2) When any person is charged with an offence under this Act or its subsidiary legislation, any information obtained by an Assistant Controller or a police officer under subsection (1), whether before or after the person is charged, shall be admissible at his trial in evidence.

(3) An authorization by the Public Prosecutor under subsection (1) may be given either orally or in writing; but if an oral authorization is given, the Public Prosecutor shall, as soon as practicable, reduce the authorization into writing.

(4) A certificate by the Public Prosecutor stating that the action taken by an Assistant Controller or a police officer under subsection (1) had been authorized by him under that subsection shall be conclusive evidence that it had been so authorized, and the certificate shall be admissible in evidence without proof of his signature there.

(5) No person shall be under any duty, obligation or liability, or be in any manner compelled, to disclose in any proceedings the procedure, method, manner or means, or any matter related to it, of anything done under subsection (1).

COMMENTARY

A new section 50B was inserted after section 50A by the Copyright (Amendment) Act 2012 (Act A1420) section 35 which came into force on 1 March 2012.

. . .

Section 51. Admissibility of statement

(1) Notwithstanding the provisions of any written law to the contrary, where a person is charged with an offense under the Act, any statement, whether the statement amounts to a confession or not or whether it is oral or in writing, made at any time, whether before or after the person is charged and whether in the course of investigations under the Act or not, and whether or not wholly or partly in answer to questions, by the person to or in the hearing of an Assistant Controller or a police officer not below the rank of Inspector, and whether or not interpreted to him by an Assistant Controller, a police officer not below the rank of Inspector, or any other person concerned or not in the case, shall be admissible at his trial in evidence and, if the person tenders himself as a witness, any such statement may be used in cross-examination and for the purpose of impeaching his credit:

Provided that —

(a) no such statement shall be admissible or used as aforesaid —

- (i) if the making of the statement appears to the court to have been caused by any inducement, threat, or promise having reference to the charge against such person proceeding from the person in authority and sufficient in the opinion of the court to give a person grounds which would appear to him reasonable for supposing that by making it he would gain any advantage or avoid any evil of a temporal nature in reference to the proceedings against him; or
- (ii) in the case of a statement made by the person after his arrest, unless the court is satisfied that he was cautioned in the following words or words to the like effect:

“It is my duty to warn you that you are not obliged to say anything or to answer any question but anything you say, whether in answer to a question or not, may be given in evidence.”; and

(b) a statement made by any person before there is time to caution

him shall not be rendered inadmissible in evidence merely by reason of his not having been cautioned if he is cautioned as soon as possible.

(2) Notwithstanding the provisions of any written law to the contrary, a person accused of an offense to which subsection (1) applies shall not be bound to answer any question relating to the case after he has been cautioned.

COMMENTARY

Section 51 is *in pari materia* with section 113 of the Malaysian Criminal Procedure Code.

Section 51A. Evidence of agent provocateur is admissible

(1) Notwithstanding any written law or rule of law to the contrary, no *agent provocateur* shall be presumed to be unworthy of credit by reason only of his having attempted to abet or abetted the commission of an offence by any person under this Act if the attempt to abet or abetment was for the sole purpose of securing evidence against such person.

(2) Notwithstanding any written law or rule of law to the contrary, any statement, whether oral or in writing made to the *agent provocateur* by any person who subsequently is charged with an offence under this Act shall be admissible as evidence at his trial.

COMMENTARY

A new section 51A was inserted after section 51 by the Copyright (Amendment) Act 2012 (Act A1420) section 36 which came into force on 1 March 2012.

. . .

Section 52. Disclosure of information

Where a person discloses to any other person any information obtained by him in pursuance of the Act, he shall be guilty of an offence, unless the disclosure was made in or for the purposes of the performance of the functions and duties under the Act.

COMMENTARY

Section 52 makes it an offence for any person to disclose information obtained by him in the course of his duty unless he is performing a duty under the 1987 Act.

Section 43 provides that any person guilty of an offence under this section shall be liable to a fine not exceeding R25,000, or to imprisonment for a term not exceeding three years, or to both.

Section 52A. Tipping-off

(1) Any person who—

(a) knows or has reason to suspect that an Assistant Controller or a police officer not below the rank of Inspector is acting, or is proposing to act, in connection with an investigation which is being, or is about to be, conducted under or for the purposes of this Act and discloses to any other person information or any other matter which is likely to prejudice that investigation or proposed investigation; or

(b) knows or has reason to suspect that a disclosure has been made to an Assistant Controller or a police officer under this Act and discloses to any other person information or any other matter which is likely to prejudice any investigation which might be conducted following the disclosure,
 commits an offence under this Act.

(2) Nothing in subsection (1) makes it an offence for an advocate and solicitor or his employee to disclose any information or other matter—

(a) to his client or the client's representative in connection with the giving of advice to the client in the course and for the purpose of the professional employment of the advocate and solicitor; or

(b) to any person in contemplation of, or in connection with and for the purpose of, any legal proceedings.

COMMENTARY

A new section 52A was inserted after section 52 by the Copyright (Amendment) Act 2012 (Act A1420) section 37 which came into force on 1 March 2012.

. . .

Section 53. Institution of prosecution.

No prosecution for any offence under this Act shall be instituted except with the consent in writing of the Public Prosecutor.

COMMENTARY

The section was amended by the Copyright (Amendment) Act 2002 (Act A1139) section 6.

. . .

54. Forfeiture of articles

(1) Any article, [vehicle,] book, document, copy, or contrivance seized pursuant to the Act shall be liable to forfeiture.

(2) The court trying any person accused of an offence under this Act may at the conclusion of the trial, whether he is convicted or not, order that article, vehicle, book, document, copy, or contrivance seized from that person be destroyed or, in the case of infringing copies, be delivered up to the first owner of the copyright in question, his assignee, or exclusive licensee, as the case may be.

(3) Where there is no prosecution with regard to any article, vehicle, book, document, copy, or contrivance seized in exercise of any powers conferred under the Act, the same shall be taken and deemed to be forfeited at the expiration of one calendar month from the date it was seized unless a claim thereto is made before that date in the manner hereinafter set forth.

(4) Any person asserting that he is the owner of any article, vehicle, book, document, copy, or contrivance seized under the Act and that the same are not liable to forfeiture may personally or by his agent authorized in writing by him give written notice to an Assistant Controller of his claim.

(5) On receipt of a notice under subsection (4), the Assistant Controller shall refer the notice to the Controller who may, after such enquiry as may be necessary, direct that such article, vehicle, book, document, copy, or contrivance be released or forfeited or refer the matter to the court for decision.

(6) The court to which the matter is referred shall issue a summons requiring the person asserting that he is the owner of the article, [vehicle,] book, document, copy, or contrivance and the person from whom they were seized to appear before it and, on his appearance or default to appear, due service of the summons being proved, the court shall proceed to the examination of the matter and, on proof that an offense under the Act or subsidiary legislation made thereunder has been committed and that such article, [vehicle,] book, document, copy, or contrivance was the subject matter or was used in the commission of such offense, shall order the same to be forfeited or may, in the absence of such proof, order the release of such article, [vehicle,] book, document, copy, or contrivance to the person entitled to it.

(7) Any article, vehicle, book, document, copy, or contrivance forfeited or deemed to be forfeited shall be delivered to the Controller, who shall dispose of it in a manner he deems fit or deliver it up to the first owner of copyright in question, his assignee, or exclusive licensee, as the case may be.

COMMENTARY

Any article, vehicle, book, document, copy, or contrivance seized pursuant to the Act will be liable to forfeiture and, where there is no prosecution with regard to any article, vehicle, book, document, copy, or contrivance so seized, the same will be taken and deemed to be forfeited at the expiration of one calendar month from the date it was seized unless a claim is made before that date in the manner set out in the Act.

The court trying any person accused of an offense under the 1987 Act may at the conclusion of the trial, whether he is convicted or not, order that that article, vehicle, book, document, copy, or contrivance seized from that person be destroyed or, in the case of infringing copies, be delivered up to the first owner of the copyright in question or his assignee or exclusive licensee.

The amendment in subsection (2) was made by the Copyright (Amendment) Act 2003 (Act A1195) section 8 which came into force on 1 October 2003.

. . .

Section 55. Proportional examination of articles seized to be accepted

(1) Where packages or receptacles containing copies suspected [to be infringing copies] or otherwise liable to seizure have been seized, it shall be sufficient only to open and examine one per centum or any five copies, whichever is the lesser, of the contents of each package or receptacle seized.

(2) The court shall presume that the remaining copies contained in the package or receptacle are of the same nature as those copies examined.

COMMENTARY

The words within the square bracket in subsection (1) were amended by section 17 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987. Previously, they read, “of infringing any copyright”.

. . .

Section 56. Protection of informers from discovery

(1) Except as hereinafter provided, no witness in any civil or criminal proceedings shall be obliged or permitted to disclose the name or address of an informer or the substance and nature of the information received from him or to state any matter which may lead to his discovery.

(2) If any books, documents or papers which are in evidence or are liable to inspection in civil or criminal proceedings whatsoever contain any entry in which any informer is named or described or which might lead to his discovery, the court shall cause all such passages to be concealed from view or to be obliterated so far only as may be necessary to protect the informer from discovery.

(3) If, on the trial for any offense against the Act or any subsidiary legislation made thereunder, the court, after full enquiry into the case, believes the informer unlawfully made in his complaint a [material] statement which he knew or believed to be false or did not believe to be true, or if in any other proceedings the court is of the opinion that justice cannot be fully done between the parties thereto without the discovery of the informer, it shall be lawful for the court to require the production of the original complaint, if in writing, and permit enquiry, and receive full disclosure concerning the informer.

COMMENTARY

The 1987 Act confers protection on informers by preserving the confidentiality of their identity and the nature of the information given by the informers.

The word in the square bracket in subsection (3) was amended by section 18 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

. . .

Section 57. Protection of Assistant Controllers and police officers

No action or prosecution shall be brought, instituted, or maintained in any court against any Assistant Controller or police officer not below the rank of Inspector for or on account of or in respect of any act ordered or done for the purpose of carrying into effect the Act, and no suit or prosecution shall lie in any court against any other person for or on account of or in respect of any act done or purporting to have been done by him under order, direction, or instruction of any Assistant Controller or police officer not below the rank of Inspector given for any such purpose as aforesaid:

Provided that the act was done in good faith and in a reasonable belief that it was necessary for the purpose intended to be served thereby.

COMMENTARY

For the meaning of “police officer not below the rank of Inspector”, see the commentary to section 44 of the 1987 Act.

. . .

PART VIII

MISCELLANEOUS

Section 58. (Deleted)

COMMENTARY

Section 58 was deleted by section 11 of the Copyright (Amendment) Act 1996 (Act A952), section 11, w.e.f. 1 September 1999.

. . .

Section 59. Regulations

The Minister may make regulations for the carrying out of the provisions of the Act.

COMMENTARY

Section 59 was amended by S20 of the Copyright (Amendment) Act 1990 (Act A775), w.e.f. 1 December 1987.

. . .

Section 59A. Extension of application of Act

(1) The Minister may make regulations applying any of the provisions of the Act specified in the regulations, in relation to a country so specified in the regulations (which in this section is referred to as the “specified country”), which may or may not be a party to a treaty or a member of any Convention or Union relating to copyright to which Malaysia also is a party or a member, so as to secure that those provisions —

(a) apply in relation to literary, musical, or artistic works, or films or sound recordings, or published editions of literary, musical, or artistic works first published in that specified country as they apply in relation to literary, musical, or artistic works, or films or sound recordings, or published editions of literary, musical, or artistic works first published in Malaysia;

(b) apply in relation to persons who, at the material time specified in the regulations, are citizens of, or residents in that specified country as they apply in relation to persons who, at such a time, are citizens of, or permanent residents in, Malaysia;

(c) apply in relation to bodies corporate incorporated under the laws of that specified country as they apply in relation to bodies corporate established in Malaysia and constituted or vested with legal personality under the laws of Malaysia;

(d) apply in relation to broadcasts transmitted from that specified country as they apply in relation to broadcasts transmitted from Malaysia;

(e) apply in relation to works of architecture erected in that specified country or any other artistic work incorporated in build-

ings located in that specified country as they apply in relation to works of architecture erected in Malaysia or any other artistic works incorporated in buildings located in Malaysia;

(f) apply in relation to every work eligible for copyright if the work is made in that specified country as they apply in relation to every work eligible for copyright if the work is made in Malaysia;

(g) apply in relation to derivative works in that specified country as they apply in relation to derivative works in Malaysia; and

(h) apply in relation to a performance taking place in that specified country as they apply in relation to a performance in Malaysia.

(2) Reference in subsection (1)(a) to works first published in a specified country shall include works which were first published elsewhere but published in that specified country within 30 days of such publication elsewhere.

(3) Regulations made under subsection (1) may apply the provisions of the Act —

(a) in relation to a specified country other than Malaysia subject to such exceptions or modifications as may be specified in those regulations;

(b) either generally or in relation to such classes of works or other subject matter as may be specified in those regulations.

(4) The regulations made under subsection (1) may provide for the application of the regulations in relation to works made or performances performed, as the case may be before the date Malaysia becomes a party to such a treaty or a member of such a Convention or Union relating to copyright or performers' rights as they apply in relation to works made or live performances performed, as the case may be after that date.

(5) The regulations made under subsection (1) shall not be construed as reviving any copyrights or performers' rights which had expired under the laws of the specified country before the date Malaysia becomes a party to such a treaty or a member of such a Convention or Union relating to copyright.

(6) The Minister shall not make regulations under this section applying any of the provisions of the Act in respect of a specified country, other than a specified country which is a party to a treaty or a member of any Convention or Union relating to copyright to which Malaysia also is a party or a member, unless the Minister is satisfied that, in respect of the class of works or other subject matter to which those provisions relate, provision has been or will be made under the laws of that specified country whereby adequate protection will be given to owners of copyright or performers under this Act.

(7) Where, only by virtue of the regulations made under subsection (1), copyright subsists in works that were made, or performers'

rights subsist in performances performed before the commencement of such regulations, nothing done before the commencement of such regulations shall be taken to constitute an infringement of those copyrights or performers' rights as the case may be.

COMMENTARY

Section 59A was inserted by the Copyright (Amendment) Act 1990 (Act A775), section 21, w.e.f. 1 December 1987.

The Copyright (Application to Other Countries) Regulations 1990 extends the applicability of the Copyright Act 1987 to foreign copyright works, provided that the work is first published in a member country of the Berne Convention; if the work is unpublished or published in a non-member country of the Convention, the author must be a citizen or resident in a Berne Convention country at the time the work was made or published.

However, foreign copyright works such as sound recordings, broadcasts, and published editions (other than that of the United States — sound recordings only — and the United Kingdom) which are beyond the scope of the Berne Convention do not enjoy such an extension of protection.

. . .

Section 59B. Power of Minister to exclude from definition of “broadcast”

(1) The Minister may, by order, exclude from the definition of “broadcast” in relation to a transmission by wire any of the following services:

- (a) an interactive service;
- (b) an internal business service;
- (c) an individual domestic service;
- (d) a service on single-occupier premises otherwise than by way of business amenity; and
- (e) a service run for persons providing broadcasting services through means of wire or providing programs for such services.

(2) The Minister may, by order, amend subsection (1) so as to add to or remove from the exclusion referred to in that subsection.

COMMENTARY

This section was included by the Copyright (Amendment) Act 1997 (Act A994), section 12, w.e.f. 1 April 1999.

Section 60. Savings

(1) Nothing in this Act shall affect any right or privilege of any person, including the Government, under any written law, except insofar as that law is expressly repealed, amended, or modified by or is inconsistent with this Act.

(2) Nothing in the Act shall affect the rights of the Government of Malaysia, or any person deriving title from the Government to sell, use or otherwise deal with articles forfeited under the laws relating to Customs, including articles so forfeited by virtue of the Act or any written law repealed by the Act.

COMMENTARY

For meaning of “written law”, see section 3 of Interpretation Acts 1948 and 1967.

. . .

Section 61. Repeal

The Copyright Act 1969 is repealed:

Provided that —

- (a) nothing contained in the Act shall affect any person's liability to be prosecuted or punished for offenses committed under the repealed Act before the coming into operation of the Act, or any proceedings brought or sentence imposed before that day in respect of such offense;
- (b) any proceedings, whether civil or criminal, or cause of action pending or existing immediately before the coming into operation of the Act shall be continued or instituted under the repealed law as if the Act had not been made;
- (c) any right, privilege, obligation, or liability acquired, accrued, or incurred under the repealed Act and any legal proceedings (civil or criminal) or remedy in respect of such right, privilege, obligation, or liability shall not be affected, and any such legal proceedings or remedy may be instituted or enforced under the relevant provisions of the Act.

COMMENTARY

Subsection (c) was included by the Copyright (Amendment) Act 1990 (Act A775), section 22, w.e.f. 1 December 1987.

For a definition of "repeal", see section 3 of the Interpretation Act 1948 and 1967 (Act 388).

§ 82:8 Patents Act 1983 (Act Number 291 as amended)

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COMMENTARY

The Patents Act came into force on 1 October 1986, repealing the following territorial legislation which provided for a system of re-registration of patents within three years from the date of grant of patents in the United Kingdom and conferring similar rights and privileges to the patent in Malaysia as in the United Kingdom:

1. The Registration of United Kingdom Patents Act 1951 (for Malaya);
2. The Registration of United Kingdom Patents Ordinance of Sabah; and
3. The Patents Ordinance of Sarawak.

The Patents Act has been amended three times, the first time *vide* the Patents (Amendment) Act 1986, which came into force on 1 October 1986, the second time *vide* the Patents (Amendment) Act 1993, which came into force on 1 August 1995 and the third time *vide* the Patents (Amendment) Act 2000, which came into force on 1 August 1 2001. It is to be noted that the Patents (Amendment) Act 1993 changed the entire examination procedure for patent applications.

Insofar as patents are concerned, Malaysia is a signatory of the following international conventions:

1. The Paris Convention (as revised by the International Convention for the Protection of Industrial Property) on 1 January 1989; and
2. The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) by virtue of being a member of the World Trade Organization (WTO).

As the previous acts were not fully compliant with TRIPS, the Patents (Amendment) Act 2000 is to be implemented to bring Malaysia in line with the obligations under TRIPS. The Patents (Amendment) Act 2000 is to bring about major changes, *inter alia*, extending the term of a patent, limiting the rights granted under a patent to allow preparatory works to be done on sample drugs prior to the expiry for the patent, and tightening the conditions under which the government may exploit a patented invention.

Part I of the Patents Act deals with preliminary issues, e.g., the interpreta-

tion of specified words, terms, and phrases and the extent of the application of the Act. Part II establishes and sets up a Patents Board. Part III concerns administrative issues, e.g., the setting up of a Patent Registration Office. Part IV contains the fundamental provisions on patentability of inventions. Part IVA provides for the grant of “petty” patents which are called “utility innovations”. Part V lays down the various types of rights to a patent and ownership issues.

Part VI contains provisions relating to the application process, procedure for grant, and duration of the patent. Part VII sets forth the various monopolistic rights of the owner of a patent. Part VIII deals with the different types of transfer of ownership of patents and patent applications. Part IX contains provisions in relation to licensing of patents and imposes various terms and conditions in such contracts. Part X describes the special rules on compulsory licensing.

Part XI deals with the voluntary surrender of a patent by the owner and the redress available to an aggrieved person to invalidate the patent in issue. Part XII is devoted to infringement proceedings and the relief which may be sought. Part XIII embodies the criminal portion of the Patents Act and makes the doing of certain acts an offense under the law. Part XIV also is a criminal section as it relates to the powers of enforcement officers relating to enforcement of the Patents Act, e.g., powers of arrest, search and seizure. Part XV is the penultimate section, which contains a number of miscellaneous provisions not covered elsewhere in the Patents Act.

PART I PRELIMINARY

Section 1. Short title, commencement, and application

(1) This Act may be cited as the Patents Act, 1983 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint.

(2) This Act shall apply throughout Malaysia.

Section 2. Extent of application

This Act shall apply to patent applications made after the commencement of the Act and to the registration of patents made on such applications.

Section 3. Interpretation

In the Act, unless the context otherwise requires —

– “appointed date” has the same meaning as is assigned to that expression in the Intellectual Property Corporation of Malaysia Act 2002;

– “Assistant Registrar” means the person appointed or deemed to have been appointed to be an Assistant Registrar under subsection (2) or (3) of section 8;

– “Authorized officer” means an officer authorized under section 68;

– “Corporation” means the Intellectual Property Corporation of Malaysia established under the Intellectual Property Corporation of Malaysia Act 2002;

– “Court” means the High Court, or Judge thereof;

– “Deputy Registrar” means the person appointed or deemed to

have been appointed to be a Deputy Registrar under subsection (2) or (3) of section 8;

– “Employee” means a person who works or has worked under a contract of employment, or who is in employment under, or for the purposes of, any individual or organization;

– “Employer”, in relation to an employee, means the person by whom the employee is or was employed;

– “Examiner” means any person, government department, unit, organization, or any foreign or international patent office or organization, appointed by Corporation under section 9A;

– “Filing date” means the date recorded by the Registrar as the filing date under section 28;

– “Minister” means the Minister for the time being charged with the responsibility for intellectual property;

– “Owner of the patent” or “owner of a patent” means the person for the time being recorded in the Register as the grantee of a patent;

– “Patented invention” means an invention for which a patent is granted, and “patented process” shall be construed accordingly;

– “Patented product” means a product which is a patented invention or in relation to a patented process, a product obtained directly by means of the process, or a product to which the process has been applied;

– “Prescribed” means prescribed by regulations made under the Act;

– “Priority date” means the date prescribed in section 27A;

– “Process” includes an art or a method;

– “Product” means any thing which appears in tangible form, and includes any apparatus, article, device, equipment, handicraft, implement, machine, substance, and composition;

– “Register” means the Register of Patents and the Register for Certificates for Utility Innovations kept under the Act;

– “Registrar” means the Registrar of Patents as designated in subsection (1) of section 8;

– “Right”, in relation to any patent application or patent, includes an interest in the patent application or patent and, without prejudice to the foregoing, any reference to a right in a patent includes a reference to a share in the patent.

COMMENTARY

The definition of “Board” was deleted by the Patents (Amendment) Act 2002 (ActA1137) section 2 which came into force on 3 March 2003.

The definitions of “Minister,” “Assistant Registrar,” “Corporation,” “appointed date” and “Deputy Registrar” were inserted by the Patents (Amendment) Act 2002 (ActA1137) section 2 which came into force on 3 March 2003.

The definitions of “Examiner” and “Registrar” were amended by the

Patents (Amendment) Act 2002 (Act A1137) section 2 which came into force on 3 March 2003.

**PART II
PATENTS BOARD
COMMENTARY**

Part II was deleted by the Patents (Amendment) Act 2002 (Act A1137) section 3 which came into force on 3 March 2003. The Patents Board established under Part II is dissolved. Any person who, immediately before the appointed date, was appointed as an Examiner by the dissolved Board shall continue in that office and be deemed for the purposes of this Act to have been appointed under section 9A.

**PART III
ADMINISTRATION**

Section 8. Registrar, Deputy Registrar, and Assistant Registrar

(1) The Director General of the Corporation shall be the Registrar of Patents.

(2) The Corporation may appoint, on such terms and conditions as it may determine, from amongst persons in the employment of the Corporation, such number of Deputy Registrars of Patents, Assistant Registrars of Patents and other officers as may be necessary for the proper administration of this Act, and may revoke the appointment of any person so appointed or deemed to have been so appointed under subsection (3).

(3) The persons holding office as Deputy Registrars, Assistant Registrars and other officers under this Act before the appointed date who were given an option by the Government of Malaysia to serve as employees of the Corporation and have so opted shall on the appointed date be deemed to have been appointed as Deputy Registrars, Assistant Registrars and such other officers under subsection (2).

(4) Subject to the general direction and control of the Registrar and to such conditions or restrictions as may be imposed by the Registrar, a Deputy Registrar or an Assistant Registrar may exercise any function of the Registrar under this Act, and anything by this Act appointed or authorized or required to be done or signed by the Registrar may be done or signed by any Deputy Registrar or Assistant Registrar and the act or signature of a Deputy Registrar or an Assistant Registrar shall be as valid and effectual as if done or signed by the Registrar.

(5) The Registrar shall have a seal of such device as may be approved by the Corporation and the impressions of such seal shall be judicially noticed and admitted in evidence.

COMMENTARY

Section 8 was amended by the Patents (Amendment) Act 2002 (Act A1137) section 4 which came into force on 3 March 2003.

Section 9. Patent Registration Office

(1) A Patent Registration Office and such number of branch of-

ficers of the Patent Registration Office as may be necessary for the purpose of this Act shall be established.

(5) Any application or other document required or permitted to be filed at the Patent Registration Office may be filed at any branch office of the Patent Registration Office, and such application or other document shall be deemed to have been filed at the Patent Registration Office.

COMMENTARY

Section 9 was amended by the Patents (Amendment) Act 2002 (Act A1137) section 5 which came into force on 3 March 2003

Section 9A. Examiners.

The Corporation may appoint any person, government department, unit or organization, or any foreign or international patent office or organization to be an Examiner for the purposes of this Act.

COMMENTARY

A new section 9A was inserted by the Patents (Amendment) Act 2002 (Act A1137) section 6 which came into force on 3 March 2003.

Section 10. Patent information service

There shall be a patent information service which provides information to the public on payment of the prescribed fee.

COMMENTARY

The Patents Act was enacted in 1983. In 1986, it was amended by the Patents (Amendment) Act 1986. The Patents Act 1983 (hereafter referred to as the "1983 Act") came into force on 1 October 1986. On 1 August 1995, the Act was amended by the Patents (Amendment) Act 1993. On 1 August 2001, the Act was amended by the Patents (Amendment) Act 2000.

Before 1 October 1986, Malaysia was dependent on the United Kingdom for patent protection *vide* the re-registration of a United Kingdom patent. However, there are aspects of United Kingdom patent law which can be found in the provisions of the Malaysian Patents Act 1983. Reference, where appropriate, will be made to the relevant provisions in the United Kingdom Patent Act 1977.

PART IV

PATENTABILITY

Section 11. Patentable inventions

An invention is patentable if it is new, involves an inventive step, and is industrially applicable.

COMMENTARY

Section 11 is *in pari materia* with section 1 of the United Kingdom Patents Act 1977. However, the Malaysian provisions have taken a further step in providing a definition for an "invention" (see section 12 of the 1983 Act).

Section 12. Meaning of "invention"

(1) An invention means an idea of an inventor which permits in practice the solution to a specific problem in the field of technology.

(2) An invention may be or may relate to a product or process.

Section 13. Non-patentable inventions

(1) Notwithstanding the fact that they may be inventions within the meaning of section 12, the following shall not be patentable:

- (a) discoveries, scientific theories, and mathematical methods;
- (b) plant or animal varieties or essentially biological processes for the production of plants or animals, other than man-made living micro-organisms, micro-biological processes, and the products of such micro-organism processes.
- (c) schemes, rules, or methods for doing business, performing purely mental acts or playing games;
- (d) methods for the treatment of human or animal body by surgery or therapy, and diagnostic methods practiced on the human or animal body:

Provided that this paragraph shall not apply to products used in any such methods.

COMMENTARY

This particular section 13(1)(d) would interest those in the pharmaceutical/medical industry who are desirous of seeking patent protection for pharmaceutical and medical use. It would be useful here to outline the following types of claim allowed by the Malaysian Patent Office. Claims for a product and a process are allowed.

Similarly, claims for a pharmaceutical composition, e.g., a pharmaceutical composition comprising of a formula A, together with a pharmaceutically acceptable carrier or diluent, are allowed.

In light of the prohibition on patenting methods for the treatment of human or animal body by surgery or therapy, the Patents Registrar has the discretion to allow or disallow claims for first medical use, such as a compound of formula "A" for use as a medicament. It is the author's considered view that "Swiss-form" claims to a second medical use, such as the use of compound A in the preparation of a medicament for the treatment of disease B, would be allowed. The novel usage of a known substance is patentable.

- (2) For the purpose of subsection (1), in the event of uncertainty as to whether the items specified therein shall be patentable or not, the Registrar may refer the matter to the Examiner for an opinion, and the Registrar shall thereafter give a decision as to whether to include or exclude such item as being patentable, as the case may be.

COMMENTARY

Section 13 of the 1983 Act provides for the non-patentability of the matters listed in subsection (1), notwithstanding the fact that they may fall within the definition of an "invention" for purposes of the 1983 Act.

However, if the Registrar is uncertain as to whether an item is patentable, he may refer the matter to the Examiner for further clarification. Thereafter, it will be decided as to whether or not the item is patentable.

Section 14. Novelty

- (1) An invention is new if it is not anticipated by prior art.
- (2) Prior art shall consist of —
 - (a) everything disclosed to the public, anywhere in the world, by written publication, by oral disclosure, by use, or in any other way, prior to the priority date of the patent application claiming the invention;

(b) the contents of a domestic patent application having an earlier priority date than the patent application referred to in paragraph (a) to the extent that such contents are included in the patent granted on the basis of the said domestic patent application.

COMMENTARY

Malaysia requires absolute (“worldwide”) novelty for purposes of patentability. The invention desirous of patent protection must not have been made known to the public in the manner described above in section 14(2) of the Patents Act 1983. If any of the disclosure contains clear and unmistakable directions to do what the patentee claims to have invented, the product or process desirous of patent protection no longer has any novelty.

Careful attention must be paid to the phrase “in any other way” as it widens the scope as to what forms knowledge to the public throughout the world. The testing of a product by consumers prior to the filing of a patent application can be a form of disclosure for purposes of novelty.

(3) A disclosure made under paragraph (a) of subsection (2) shall be disregarded —

(a) if such disclosure occurred within one year preceding the date of patent application and if such disclosure was by reason or in consequence of acts committed by the applicant or his predecessor in title;

(b) if such disclosure occurred within one year preceding the date of the patent application and if such disclosure was by reason or in consequence of any abuse of the rights of the applicant or his predecessor in title;

(c) if such disclosure is by way of a pending application to register the patent in the United Kingdom Patent Office as at the date of coming into force of the Act.

COMMENTARY

These are statutory exemptions which allow the interim preservation of the novelty of an invention despite it having been disclosed under section 14(2)(a). The provisions continuously refer to the “applicant”.

Thus, it is clear that the statutory exemptions provided for in the 1983 Act can only be relied on by a Malaysian patent applicant or, if the case may be, an applicant for a utility innovation. As such, a Malaysian application would have to be filed within one year of the date of the earliest disclosure to preserve novelty.

(4) The provisions of subsection (2) shall not exclude the patentability of any substance or composition, comprised in the prior art, for use in a method referred to in paragraph (d) of subsection (1) of section 13, if its use in any such method is not comprised in the prior art.

Section 15. Inventive step

An invention shall be considered as involving an inventive step if, having regard to any matter which forms part of the prior art under paragraph (a) of subsection (2) of section 14, such inventive step would not have been obvious to a person having ordinary skill in the art.

COMMENTARY

Section 15 is *in pari materia* with section 3 of the United Kingdom Patents Act 1977. The requirement of an inventive step seeks to deter those who seek patents for inventions which vary slightly from those known in the world or an industry.

Section 15 attempts to restrict those from making pedestrian improvements or obvious extensions to a known product or process.

“Inventive step” is defined as a step which would not have been obvious to a person having ordinary skill in the art, taking into consideration any matter which forms part of the prior art or common general knowledge. The test of obviousness has been said to be, “would the man skilled in the art be alerted to the possibilities?” or, in the alternative, “would the person well versed in the art assess the likelihood of success as sufficient to warrant actual trial?”.

This is particularly important as a patent seeks to confer a statutory monopoly. A good patent would teach the world something which it has not known before, whereas a “bad” patent would create an unfair monopoly in something which the world already knows about or enjoys.

Section 16. Industrial application

An invention shall be considered industrially applicable if it can be made or used in any kind of industry.

COMMENTARY

Section 16 is *in pari materia* with section 4 of the United Kingdom Patents Act 1977. This would exclude from patentability very few inventions which are not already excluded by the aforementioned requirements.

The Malaysian Patents Act 1983 is silent as to the definition of “industry”. Our considered view is that this should be given a broad definition to include any kind of industry, so long as the invention can be made or used in that particular industry.

PART IVA

UTILITY INNOVATIONS

Section 17. Definition

For the purposes of this Part and any regulations made under the Act in relation to this Part, “utility innovation” means any innovation which creates a new product or process, or any new improvement of a known product or process, which is capable of industrial application.

COMMENTARY

Malaysia has adopted a two-tier system for patents. As an alternative to a full-fledged patent, Malaysia has provided for the registration of an invention which may not fully meet the inventive step required of a patent, but nonetheless is a new improvement of a known product or process. This is known as a utility innovation. Sometimes, it is known as a “utility model” or a “petty patent”. A full patent acquires 15 years of protection, subject to payment of the annual renewal fees. Protection in a utility innovation subsists for an initial term of five years with possible extensions of further two five-year periods, again subject to payment of renewal fees.

The procedures and documentation are similar to that of a patent (as per section 17A, below). Section 17 has been amended by the Patents (Amendment) Act 2000 by substituting the words “which can be made or used in any kind of industry” with the words “which is capable of industrial application”.

Section 17A. Application

(1) Except as otherwise provided in this Part, the provisions of

the Act, subject to the modifications in the Second Schedule, shall apply to utility innovations in the same manner as they apply to inventions.

(2) Sections 11, 15, and 26, Part X, and sections 89 and 90 shall not apply to utility innovations.

Section 17B. Conversion from an application for a patent into an application for a certificate for a utility innovation, and vice versa

(1) An application for a patent may be converted into an application for a certificate for a utility innovation.

(2) An application for a certificate for a utility innovation may be converted into an application for a patent.

(3) A request to convert an application for a patent into an application for a certificate for a utility innovation or to convert an application for a certificate for a utility innovation into an application for a patent shall be filed by the applicant and shall comply with regulations made under the Act.

(4) A request for conversion under this section shall be filed not later than six months from the date the Registrar makes known to the applicant the report made by the Examiner in accordance with subsection (1) or (2) of section 30.

(5) A request for conversion under this section shall not be entertained unless the prescribed fee has been paid to the Registrar.

(6) An application which has been converted shall be deemed to have been filed at the time the initial application was filed.

COMMENTARY

Section 17B allows the conversion of patent applications into utility innovation applications, or *vice versa*, within a stipulated period. Section 17A(2) has been amended by the Patents (Amendment) Act 2000 by deleting the word “16”.

Section 17C. Patent and certificate for a utility innovation cannot both be granted for the same invention

(1) If an applicant for a patent also has —

(a) made an application for a certificate for a utility innovation;
or

(b) been issued with a certificate for a utility innovation,
and the subject matter of the application for a patent is the same as the subject matter of the application mentioned in paragraph (a) or of the certificate mentioned in paragraph (b), a patent shall not be granted until the application mentioned in paragraph (a) has been withdrawn or the certificate mentioned in paragraph (9) has been surrendered.

(2) If an applicant for a certificate for a utility innovation also has —

(a) made an application for a patent; or
(b) been granted a patent,

and the subject matter of the application for a certificate for a utility innovation is the same as the subject matter of the application mentioned in paragraph (a) or of the patent mentioned in paragraph (b), a certificate for a utility innovation shall not be granted until the application mentioned in paragraph (a) has been withdrawn or the patent mentioned in paragraph (b) has been surrendered.

PART V

RIGHTS TO A PATENT

Section 18. Right to a patent

(1) Any person may make an application for a patent either alone or jointly with another.

(2) Subject to section 19, the rights to a patent shall belong to the inventor.

(3) Where two or more persons have jointly made an invention, the rights to a patent shall belong to them jointly.

(4) If two or more persons have separately and independently made the same invention, and each of them has made an application for a patent, the right to a patent for that invention shall belong to the person whose application has the earliest priority date.

COMMENTARY

The first right to an application for an invention vests in the inventor. If the rights to the invention are jointly owned, a patent application may be jointly applied for by all the joint owners.

However, where separate and independent applications have been made, the right to the patent for same shall belong to the applicant whose application was filed earliest.

Section 19. Judicial assignment of patent application or patent

Where the essential elements of the invention claimed in a patent application or patent have been unlawfully derived from an invention for which the right to the patent belongs to another person, such other person may apply to the court for an order that the said patent application or patent be assigned to him:

Provided that the court shall not entertain an application for the assignment of a patent after five years from the date of the grant of the patent.

COMMENTARY

An application for a patent or a granted patent can be transferred *vide* a court order if the person requesting so shows to the court that the essential elements of the invention have been unlawfully derived.

Nonetheless, such applications will not be entertained on the lapsing of five years from the date of grant of the Malaysian patent.

Section 20. Inventions made by an employee or pursuant to a commission

(1) In the absence of any provisions to the contrary in any contract of employment or for the execution of work, the rights to a patent for an invention made in the performance of such contract of

employment or in the execution of such work shall be deemed to accrue to the employer, or the person who commissioned the work as the case may be:

Provided that where the invention acquires an economic value much greater than the parties could reasonably have foreseen at the time of concluding the contract of employment or for the execution of work, as the case may be, the inventor shall be entitled to equitable remuneration which may be fixed by the court in the absence of agreement between the parties.

(2) Where an employee whose contract of employment does not require him to engage in any inventive activity makes, in the field of activities of his employer, an invention using data or means placed at his disposal by his employer, the right to the patent for such invention shall be deemed to accrue to the employer, in the absence of any provision to the contrary in the contract of employment:

Provided that the employee shall be entitled to equitable remuneration which, in the absence of agreement between the parties, may be fixed by the court taking into account his emoluments, the economic value of the invention, and any benefit derived from it by the employer.

COMMENTARY

Section 20 is *in pari materia* with sections 39–41 of the United Kingdom Patents Act 1977. Essentially, the rights to an invention made by an employee or a person under commission will be taken to belong to the employer or the person who commissioned the said work.

However, the Patents Act has provided for the intervention of the court. In cases where the invention acquires an economic value much greater than parties could reasonably have foreseen at the time of concluding the contract of employment or for the execution of work, as the case may be, the inventor shall be entitled to equitable remuneration which may be fixed by the court in the absence of agreement between the parties.

In addition, if the inventor's contract of employment does not require him to engage in any inventive activity, an employee shall be entitled to equitable remuneration which, in the absence of agreement between the parties, may be fixed by the court taking into account his emoluments, the economic value of the invention, and any benefit derived from it by the employer.

(3) The rights conferred on the inventor under subsections (1) and (2) shall not be restricted by contract.

Section 21. Inventions by government employee

Notwithstanding the provisions of subsection (3) of section 20, the provisions of that section shall apply to a government employee or an employee of a government organization or enterprise unless otherwise provided by rules or regulations of such government organization or enterprise.

COMMENTARY

Section 21 is *in pari materia* with section 42(4) of the United Kingdom Patents Act 1977.

Section 22. Joint owners

Where the rights to obtain a patent are owned jointly, the patent may only be applied for jointly by all the joint owners.

COMMENTARY

Section 22 is *in pari materia* with section 7 of the United Kingdom Patents Act 1977.

Where the rights to the patent are jointly owned, a joint application must be made by all the owners.

PART VI**APPLICATION, PROCEDURE FOR GRANT, AND DURATION****Section 23. Requirements of application**

Every application for the grant of a patent shall comply with the regulations as may be prescribed by the Minister under the Act.

COMMENTARY

In accordance with section 23, any application for a patent or a certificate for a utility innovation must comply with the Patents Regulations 1986 which sets out the rules governing the prosecution of such applications.

Reference where appropriate shall be made to the Patents Regulations 1986 (hereafter referred to as “the Regulations”).

Section 23A. Applications by residents to be filed in Malaysia first

No person resident in Malaysia shall, without written authority granted by the Registrar, file, or cause to be filed, outside Malaysia an application for a patent for an invention unless —

(a) an application for a patent for the same invention has been filed in the Patent Registration Office not less than two months before the application outside Malaysia; and

(b) either no directions have been issued by the Registrar under section 30A in relation to the application or all such directions have been revoked.

COMMENTARY

Section 23A is *in pari materia* with section 23 of the United Kingdom Patents Act 1977, which regulates security and safety. Section 23A is not concerned with the nationality of the applicant. Any person who is a resident in Malaysia must file the parent application in Malaysia.

Should a resident wish to file the parent application outside Malaysia, written permission must be obtained from the Registrar to do so. Section 23A must be read in accordance with section 30 below, which regulates the publication of information which might be harmful to the national interest.

Section 24. Application fee

An application for the grant of a patent shall not be entertained unless the prescribed fee has been paid to the Registrar.

COMMENTARY

Section 24 is in compliance with regulation 7(1) of the Regulations, which requires that all requests for the grant of a patent must be accompanied with the payment of the prescribed fee (patent, R200 where the number of claims is 10 or less, with R10 for each additional claim where the number of claims is more than 10; utility innovation, R100).

Section 25. Withdrawal of application

An applicant may withdraw his application at any time during its

pendency by submitting a declaration in the prescribed form to the Registrar, and such withdrawal may not be revoked.

COMMENTARY

The applicant(s) may at any time choose to withdraw the application(s). In accordance with regulation 24 in the Regulations, an applicant may withdraw his application *vide* a declaration on Form 2. The declaration is to be signed by the applicant or his agent so authorized for that purpose.

If there are a number of applicants, the declaration must be signed by each of the applicants or by the agent acting on their behalf. If the declaration is signed by an agent, it must be accompanied by a letter of authorization.

Section 26. Unity of invention

An application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept.

COMMENTARY

Section 26 enables a single application to be filed in cases where the inventions, when combined, result in a single general inventive concept. This also is governed by regulation 19 of the Regulations. In the same patent application, where there is an independent claim for a given product, an independent claim is possible for a process specially adapted for the manufacture of the given product and for the use of the given product, as well.

Likewise, in the same patent application where there is an independent claim for a given process the said product and the special design for the apparatus or means can be included. The regulation also provides that a single application may contain two or more independent claims of the same category which cannot be covered by a single generic claim.

Section 26A. Amendment of application

The applicant may amend the application:

Provided that the amendment shall not go beyond the disclosure in the initial application.

COMMENTARY

The applicant may amend his application provided that the amendments do not go beyond the scope of the disclosure in the initial application.

Section 26B. Division of application

(1) The applicant may within the prescribed time, divide the application into two or more applications (“divisional applications”):

Provided that each divisional application shall not go beyond the disclosure in the initial application.

(2) Each divisional application shall be entitled to the priority date of the initial application.

COMMENTARY

Section 26B is linked to the concept of the unity of invention. This is governed by regulation 19A of the Regulations. If an applicant believes that he may not meet the requirements under the unity of invention, he may divide the initial application into two or more applications not later than three months from the date of the Examiner’s first report made under the below-mentioned sections 30(1) or 30(2).

On the other hand, an application can be divided pursuant to the Examiner’s objection of non-compliance with the requirements of unity of invention in his report under section 30(1) or (2). This must be done within three months from the date of mailing of such a report.

Section 27. Right of priority

(1) An application may contain a declaration claiming the priority, pursuant to any international treaty or Convention, of one or more earlier national, regional, or international applications filed, during the period of 12 months immediately preceding the filing date of the application containing the declaration, by the applicant or his predecessor in title in or for any party to the said international treaty or Convention.

COMMENTARY

In accordance with article 4C of the Paris Convention (Malaysia is not a member of the Patent Cooperation Treaty), the Malaysian patent application can claim the priority of earlier corresponding applications filed in the 12 months preceding the date of filing of the Malaysian patent application.

The claiming of priority is governed by regulations 21, 22, and 23 of the Regulations. The particulars required are the filing dates, the filing numbers, the countries or organizations where filed, and the International Patent Classification symbol (INTCL), if available.

(1A) The period of 12 months mentioned in subsection (1) may not be extended under the provisions of section 82.

COMMENTARY

This is strictly adhered to. Priority cannot be claimed for applications filed outside the 12-month period.

(2) Where the application contains a declaration under subsection (1), the Registrar may require that the applicant furnish, within the prescribed time, a copy of the earlier application, certified as correct by the office with which it was filed or where the earlier application is an international application filed under any international treaty, by the International Bureau of the World Intellectual Property Organization.

COMMENTARY

In accordance with regulation 22 of the Regulations, the applicant shall provide the Registrar with a certified copy of the earlier application within three months from the date of the Registrar's request.

All certified copies of the earlier applications must be in the English language. If not, the Registrar may require that the applicant provide a translation within a period of three months from the date of the Registrar's request.

(3) The effect of the declaration referred to in subsection (1) shall be as provided in the treaty or Convention referred to therein.

(4) Where any of the requirements of this section or any regulations pertaining thereto have not been complied with, the declaration referred to in subsection (1) shall be deemed to be invalid.

COMMENTARY

In the event that there is non-compliance with the requirements for claiming priority, the Registrar may require that the applicant furnish the Registrar with the requisite documents, information, or corrections.

The provision of same should be done within the period of three months from the date of the Registrar's request. Failure to comply with the Registrar's request and/or within the time limit will render the declaration claiming priority invalid.

Section 27A. Priority date

(1) Subject to subsection (2), the priority date of an application for a patent is the filing date of the application.

COMMENTARY

For purposes of claiming priority, the filing date of an application is the priority date, unless the application contains a declaration claiming priority of an earlier application.

(2) Where an application contains the declaration mentioned in section 27, the priority date of the application shall be the filing date of the earliest application whose priority is claimed in that declaration.

COMMENTARY

If priority is claimed from any corresponding prior patent applications, the priority date will be the filing date of the earlier corresponding patent application.

If there are a number of earlier corresponding applications, the priority date will be the earliest filing date of the corresponding applications. The particulars required for claiming the priority are:

- 1. The filing dates;**
- 2. The filing numbers;**
- 3. The country or organization where filed; and**
- 4. The International Patent Classification symbol**

The Registrar may require that the applicant provide a certified copy of the priority application. The application must be certified by the office with which it was filed or, where the earlier application is an international application filed under any international treaty, by the International Bureau of the World Intellectual Property Organization.

Section 28. Filing date

(1) The Registrar shall record as the filing date the date of receipt of the application:

Provided that the application contains —

- (a) the name and address of the applicant;
- (b) the name and address of the inventor;
- (c) a description
- (d) a claim or claims; and
- (e) that, at the time of receipt of the application, the prescribed fee has been paid.

(2) Where the Registrar finds that, at the time of receipt of the application, the provisions of subsection (1) are not fulfilled, he shall request the applicant to file the required correction.

(3) Where the applicant complies with the request referred to in subsection (2), the Registrar shall record as the filing date the date of receipt of the required correction and, where the applicant does not so comply, the Registrar shall treat the application as invalid.

(4) Where the application refers to drawings which in fact are not included in the application, the Registrar shall request the applicant to furnish the missing drawings.

(5) Where the applicant complies with the request referred to in

subsection (4), the Registrar shall record as the filing date the date of receipt of the missing drawings and, where the applicant does not so comply, the Registrar shall record as the filing date the date of receipt of the application and make no reference to the said drawings.

COMMENTARY

The filing date is governed by regulation 25 of the Regulations. On receipt of the application for a grant of a patent, the application will be accorded a filing date on the Registrar finding that the application contains the above set out in section 28(1)(a)-(e). If these are not complied with, the applicant will be notified and given the opportunity to make the required correction.

On receipt of the required correction(s), the application will be accorded a filing date. The filing date will be the date of receipt of the required correction(s). Failure to file the relevant corrections will result in the application being invalid.

If the required drawings referred to are not provided, the applicant will be given the opportunity to provide the missing drawings. The filing date accorded will be the date of receipt of the missing drawings. If the applicant does not comply, the filing date will be the date of receipt of the application, but no reference will be made to the drawings.

Section 29. Preliminary examination

(1) Where an application for a patent has a filing date and is not withdrawn, the Registrar shall examine the application and determine whether it complies with the requirements of the Act and the regulations made under the Act which are designated by such regulations as formal requirements for the purposes of the Act.

(2) If the Registrar, as a result of the examination under subsection (1), finds that not all the formal requirements are complied with, he shall give an opportunity to the applicant to make any observation on such finding and to amend the application within the prescribed period so as to comply with those requirements and, if the applicant fails to do so, the Registrar may refuse the application.

COMMENTARY

In cases where the application has a date of filing and is not withdrawn, an examination will be conducted to determine whether the formalities have been met or fulfilled.

If the formalities have not been met, the applicant will be given the opportunity to make any observation or to amend the application. Failing this, the Registrar has the discretion to refuse the application.

Section 29A. Request for substantive examination or modified substantive examination

(1) If an application for a patent has been examined under section 29 and is not withdrawn or refused, the applicant shall file, within the prescribed period, a request for a substantive examination of the application.

(2) If a patent or other title of industrial property protection has been granted to the applicant or his predecessor in title in a prescribed country outside Malaysia or under a prescribed treaty or Convention for an invention which is the same or essentially the

same as the invention claimed in the application, the applicant may, instead of requesting for a substantive examination, request for a modified substantive examination.

(3) A request for a substantive examination or a modified substantive examination shall be made in the prescribed form and shall not be deemed to have been filed until the prescribed fee has been paid to the Registrar and any prescribed requirement has been complied with.

(4) The Registrar may require the applicant to provide, at the time of filing a request for a substantive examination —

(a) any prescribed information or prescribed supporting document concerning the filing of any application for a patent or other title of industrial property protection filed outside Malaysia by such applicant or his predecessor in title with a national, regional, or international industrial property office;

(b) any prescribed information concerning the results of any search or examination carried out by an International Searching Authority under the Patent Cooperation Treaty, relating to the same or essentially the same invention as that claimed in the application for which the request for a substantive examination is being filed.

(5) If the applicant —

(a) fails to file either a request under subsection (1) for a substantive examination or a request under subsection (2) for a modified substantive examination; or

(b) fails to provide the information or document referred to in subsection (4) as required by the Registrar, within the prescribed period, the application for a patent shall, subject to subsection (6), be deemed to be withdrawn at the end of that period.

(6) Notwithstanding subsection (5), the Registrar may, on the request of the applicant, grant a deferment of the filing of a request for examination referred to in subsection (1) or (2) or a deferment of the provision of the information or document referred to in subsection (4), and such deferment may be granted only on the grounds that —

(a) the patent or title referred to in subsection (2) has not been granted or is not available; or

(b) the information or document referred to in subsection (4) would not be available

by the expiration of the prescribed period for the filing of a request under subsection (1) or (2).

(7) No deferment shall be granted under subsection (6) unless the request for such deferment is filed before the expiration of the prescribed period for filing of a request under subsection (1) or (2), and no deferment may be sought nor granted for a period greater than that prescribed in the regulations made under the Act.

(8) Without prejudice to the power of the Registrar to grant a deferment, the period prescribed for the purposes of this section may not be extended under the provisions of section 82.

Section 30. Substantive examination and modified substantive examination

(1) Where a request for substantive examination has been filed under subsection (1) of section 29A, the Registrar shall refer the application to an Examiner who shall —

(a) determine whether the application complies with those requirements of the Act and the regulations made under the Act which are designated by such regulations as substantive requirements for purposes of the Act; and

(b) report his determination to the Registrar.

(2) Where a request for a modified substantive has been filed under subsection (2) of section 29A, the Registrar shall refer the application to an Examiner who shall —

(a) determine whether the application complies with those requirements of the Act and the regulations made under the Act which are designated by such regulations as modified substantive requirements for the purposes of the Act; and

(b) report his determination to the Registrar.

(3) If the Examiner reports, in accordance with subsection (1) or (2), that any of the requirements referred to in subsection (1) or (2), as the case may be, are not complied with, the Registrar shall give the applicant an opportunity to make observations on the report and to amend the application so as to comply with those requirements, within the prescribed period and, if the applicant fails to satisfy the Registrar that those requirements are complied with, or to amend the application so as to comply with them, the Registrar may refuse the application.

(4) The Registrar may grant an extension of the prescribed period referred to in subsection (3), but such extension may be granted only once, and no subsequent extension may be granted under the provisions of section 82.

(5) If the Examiner reports, in accordance with subsection (1) or (2), that the application, whether as originally filed or as amended, complies with the requirements referred to in subsection (1) or (2), as the case may be, the Registrar shall notify the applicant of that fact and, subject to subsection (6), shall process the application accordingly.

(6) Where two or more applications for a patent for the same invention having the same priority date are filed by the same applicant or his successor in title, the Registrar may on that ground refuse to grant a patent in pursuance of more than one of the applications.

(7) The Registrar may waive, as he deems fit, the requirement of

referring an application or any part of it for substantive examination under subsection (1):

Provided that he shall notify in the *Gazette* his intention to waive such requirement and shall allow any party who would be aggrieved by such waiver to be heard on the matter.

COMMENTARY

Under the Regulations, the request for full substantive examination must be made before the end of three years from the filing date of the application. The request for modified substantive examination must be made before the end of four years from the filing date. At this stage, the application will be examined on its merits and the validity of the claims. If the examiner reports that the substantive merits have not been complied with, the applicant may, within three months from the date of the examiner's report, respond to the observations. The applicant may make observations or amend the application, or both.

Under the substantive modified examination, the applicant may choose to have the Malaysian patent application modified to conform with a granted or accepted patent, from Australia, United Kingdom, United States, or the European Patent Office.

Section 30A. Prohibition of publication of information which might be prejudicial to the nation

(1) Subject to any direction of the Minister, where an application for a patent is filed or is deemed to have been filed at the Patent Registration Office and it appears to the Registrar that the application contains information the publication of which might be prejudicial to the interest or security of the nation, he may issue directions prohibiting or restricting the publication of that information or its communication whether generally or to a particular person or class of persons.

(2) Subject to any direction by the Minister, the Registrar may revoke any direction issued by him under subsection (1) prohibiting or restricting the publication or communication of any information contained in an application for a patent if he is satisfied that such publication or communication is no longer prejudicial to the interest or security of the nation.

(3) Where directions issued by the Registrar under subsection (1) are in force in respect of an application, the application may proceed to the stage where it is in order for the grant of a patent, but no patent shall be granted in pursuance of such application.

(4) Nothing in this section prevents the disclosure of information concerning an invention to a Ministry or a government department or authority for the purpose of obtaining advice as to whether directions under this section should be made, amended, or revoked.

COMMENTARY

Section 30A is in line with section 23A, above. In the interest of national security or the public interest, information deemed prejudicial will not be published on the direction of the Registrar.

Nonetheless, the Registrar also is empowered with the discretion to allow the application to proceed to a stage whereby it is in order for grant but will not grant the patent.

Section 31. Grant of patent

(1) The grant of a patent shall not be refused and a patent shall not be invalidated on the ground that the performance of any act in respect of the claimed invention is prohibited by any law or regulation, except where the performance of that act would be contrary to public order or morality.

(2) Where the Registrar is satisfied that the application complies with sections 23, 29, and 30, he shall grant the patent and shall forthwith —

(a) issue to the applicant a certificate of grant of the patent and a copy of the patent together with a copy of the Examiner's final report; and

(b) record the patent in the Register.

(2A) Where two or more persons have separately and independently made the same invention and each of them has made an application for a patent having the same priority date, a patent may be granted on each application.

(3) As soon as possible thereafter, the Registrar shall —

(a) cause to be published in the *Gazette* a reference to the grant of the patent; and

(b) make available to the public, on payment of the prescribed fee, copies of the patent.

(4) The patent shall be deemed to be granted on the date that the Registrar performs the acts referred to in subsection (2).

COMMENTARY

On being satisfied that the requirements have been met, the Registrar will proceed to grant a patent. A Certificate of Grant will be issued. Under regulation 29 of the Regulations, the Certificate of Grant will contain the number of the patent, the name and address of the owner of the patent, the name of the inventor (except where he has indicated that he does not want to be known), the filing date and, if any, the priority date, the date of grant, and the title of the invention. Subsection 31(1) has been amended by the Patents (Amendment) Act 2000 by inserting after the words "public order" the words "or morality".

The grant of the application will then be recorded in the government *Gazette*. The patent will be recorded in the Register. Under regulation 30 of the Regulations, the Register shall contain particulars similar to that in the Certificate of Grant. In addition, the symbol of the International Patent Classification, the abstract, the description, the claims and, if any, the drawings will be included.

Section 32. Register of Patents

(1) The Registrar shall keep and maintain a register called the Register of Patents.

(2) The Register of Patents shall contain all such matters and particulars relating to patents as may be prescribed.

(3) The Register of Patents shall be kept in such form and on such medium as may be prescribed.

COMMENTARY

Regulation 31 governs the maintenance of the Register of Patents.

Section 32A. Notice of a trust not to be registered

Notice of a trust, express, implied, or constructive, shall not be entered in the Register or be accepted by the Registrar.

COMMENTARY

No trust whatsoever may be recorded in the Register or accepted by the Registrar.

Section 33. Examination of Register and certified copies

Any person may examine the Register and may obtain certified extracts therefrom on payment of the prescribed fee.

Section 33A. Certified copies of or extracts from Register, etc., admissible as evidence in court

(1) The Register shall be *prima facie* evidence of all matters required or authorized by the Act to be entered therein.

(2) Copies of or extracts from the Register, or of or from any document or publication in the Patent Registration Office, if certified by the Registrar in writing under his hand, shall be admissible in evidence in all courts without further proof or production of the original.

Section 33B. Amendments to the Register

(1) The Registrar may, on request made in the prescribed manner by the owner of a patent, amend the Register —

(a) by correcting any error in the name or address of the owner of the patent; or

(b) by entering any change in the name or address of the owner of the patent.

(2) Where the Register has been amended under this section, the Registrar may require the certificate of grant of the patent to be submitted to him, and may —

(a) revoke the certificate of grant of the patent and issue a new certificate of grant of the patent; or

(b) make any consequential amendments in the certificate of grant of the patent as are rendered necessary by the amendment of the Register.

(3) Notwithstanding any other provision of the Act or the regulations made under the Act, no fee shall be payable by the owner of a patent in respect of a request to correct any error in the name or address of such owner unless such error is caused or contributed to by such owner.

Section 33C. Court may order rectification of the Register

(1) The Court may, on the application of any aggrieved person, order the rectification of the Register by directing —

(a) the making of any entry wrongly omitted from the Register;

(b) the expunging or amendment of any entry wrongly made in or remaining in the Register; or

(c) the correcting of any error or defect in the Register.

(2) Notice of every application under this section shall be served on the Registrar, who shall have the right to appear and be heard, and who shall appear if so directed by the court.

(3) Unless otherwise directed by the court, the Registrar, in lieu of appearing and being heard, may submit to the court a statement in writing signed by him —

(a) giving particulars in relation to the matter in issue;

(b) of the grounds of any decision given by him affecting the matter in issue; or

(c) of the practice of the Patent Registration Office in like cases; or

(d) of such other matters relevant to the issues and within his knowledge as the Registrar, as he thinks fit, and such statement shall be deemed to form part of the evidence in court.

(4) A sealed copy of an order under this section shall be served on the Registrar who shall, on receipt of the order, take such steps as are necessary to give effect to the order.

Section 34. Inspection of files

(1) The Registrar shall make available for public inspection after eighteen months from the priority date or filing date of a patent application and upon payment of the prescribed fee—

(a) the name, address and description of the applicant and the name and address of his agent, if any;

(b) the application number;

(c) the filing date of the application and, if priority is claimed, the priority date, the number of the earlier application and the name of the State in which the earlier application was filed or where the earlier application is a regional or an international application, the name of the country or countries for which and the office at which it was filed;

(d) the particulars of the application including the description, claim or claims, drawing or drawings, if any, and the abstract and any amendments to the application, if any; and

(e) any change in ownership of the application and any reference to a licence contract appearing in the file relating to the application.

(2) Notwithstanding subsection (1) a patent application shall not be made available for public inspection if—

(a) the patent application is withdrawn or refused or deemed to be withdrawn or refused before the expiry of the period of eighteen months from the priority date or filing date of the patent application; or

(b) it appears to the Registrar that the application contains information which contravenes public order or morality.

(3) Information relating to a patent application may be inspected only with the written permission of the patent applicant if the information is requested within eighteen months from the priority date or filing date of the patent application.

(4) A certified extract of the information may be obtained upon payment of the prescribed fee.

(5) After an application is made available for public inspection, an applicant may in writing warn a person who has commercially or industrially worked the invention which is the subject matter of the application that a patent application for the invention has been filed.

(6) An applicant may demand that a person who has commercially or industrially worked the invention pay as compensation to the applicant in respect of the invention—

(a) from the time the person is given the warning under subsection (5); or

(b) in the absence of a warning, after the patent application in respect of the invention has been made available for public inspection,

an amount equivalent to what he would have normally received for the working of the invention to the time of the grant of the patent.

(7) The right to demand compensation as provided for in subsection (6) shall be exercised only after the grant of the patent.

(8) The exercise of the right to demand compensation under subsection (6) shall not prevent the applicant from exercising his rights as the owner of the patent in respect of the invention after the grant of the patent.

(9) Where a patent application is withdrawn or refused after the application is made available for public inspection, the right under subsection (6) shall be deemed never to have existed.

COMMENTARY

Section 34 was amended by the Patents (Amendment) Act 2003 (Act A1196) section 2 which came into force on 14 August 2003.

Section 35. Duration of patent

(1) Subject to subsections (1B) and (1C), the duration of a patent shall be twenty years from the filing date of the application.

(1A) Without prejudice to subsection (1) and subject to the other provisions of this Act, a patent shall be deemed to be granted and shall take effect on the date the certificate of grant of the patent is issued.

(1B) Where a patent application was filed before 1 August 2001, and was pending on that date, the duration of the patent granted on that application shall be twenty years from the date of filing or fifteen years from the date of grant, whichever is the longer.

(1C) The duration of a patent granted before 1 August 2001 and still in force on that date shall be twenty years from the date of filing or fifteen years from the date of grant whichever is the longer.

COMMENTARY

Section 35(1) was amended by the Patents (Amendment) Act 2000 (Act A1088) section 5 which came into force on 1 August 2001 and further amended by the Patents (Amendment) Act 2003 section 3 which came into force on 14 August 2003.

Section 35(1A) was inserted by the Patents (Amendment) Act 2000 (Act A1088) section 5 which came into force on 1 August 2001.

Sections 35(1B) and 35(1C) were inserted by the Patents (Amendment) Act 2003 section 3 which came into force on 14 August 2003.

(2) Where a patentee intends, at the expiration of the second year from the date of grant of the patent, to keep the same in force, he shall, 12 months before the date of expiration of the second and each succeeding year during the term of the patent, pay the prescribed annual fee:

Provided, however, that a period of grace of six months shall be allowed after the date of such expiration, on payment of such surcharge as may be prescribed.

COMMENTARY

Annual fees are payable to maintain the patent in force. There is a grace period of six months accorded to pay any due fees. A surcharge also will need to be paid.

(3) If the prescribed annual fee is not paid in accordance with subsection (2), the patent shall lapse, and a notice of the lapsing of the patent for non-payment of any annual fee shall be published in the *Gazette*.

COMMENTARY

If the annual fees are not paid and/or after the expiration of the six-month period, the patent will be deemed to have ceased to be in force. Section 35 has been amended by the Patents (Amendment) Act 2000 to change the duration of a patent so that the new period is 20 years, calculated from the date the application for a patent is filed. A new subsection (1A) is inserted after subsection (1) with the following wording: "Without prejudice to subsection (1) and subject to the other provisions of this Act, a patent shall be deemed to be granted and shall take effect on the date the certificate of grant of the patent is issued". The duration of a utility innovation also is changed so that the initial period is 10 years, calculated from the date the application for a utility innovation, if filed, with two allowable extensions of five years each.

The lapse of the patent will then be published in the *Gazette*. Under regulation 33 of the Regulations, the lapse of a patent for non-payment will be recorded in the Register.

Section 35A. Reinstatement of a lapsed patent

(1) Within two years from the date on which a notice of the lapsing of a patent is published in the *Gazette* —

(a) the owner of the patent or his successor in title; or

(b) any other person who would, if the patent had not lapsed, have been entitled to the patent, may apply to the Registrar in the prescribed form to have the patent reinstated.

(2) The Registrar may reinstate a patent on an application made under subsection (1) —

(a) on payment of all annual fees due and of a prescribed surcharge for reinstatement; and

(b) on being satisfied that the non-payment of annual fees was due to accident, mistake, or other unforeseeable circumstances.

(3) Where the Registrar reinstates a lapsed patent, he shall cause notice of the reinstatement to be published in the *Gazette*.

COMMENTARY

Nevertheless, a patent that has lapsed due to the non-payment of annual fees can be revived. A formal request will have to be made to the Registrar. The procedures for doing so are governed by regulation 33A of the Regulations. The Registrar must be satisfied that such non-payment was due to a mistake, accident, or other unforeseeable circumstance. To that extent, information and/or an explanation will be required. If the Registrar is not satisfied, a formal notification will be issued, and the person requesting the reinstatement will be given a chance to be heard.

If a case is sufficiently made out, a formal notice will be sent to the person making the request. Within a period of one month from the date of mailing of the notice, all annual fees due and the prescribed surcharge for reinstatement must be paid.

On receipt of the annual fees due and the surcharges, the patent will be reinstated, and notice will be published in the *Gazette*.

(4) The reinstatement of a lapsed patent shall not prejudice the rights acquired by third parties after it is notified in the *Gazette* that the patent has lapsed and before it is notified in the *Gazette* that the patent has been reinstated.

(5) The Minister may make regulations to provide for the protection or compensation of persons who have exploited or taken definite steps, by contract or otherwise, to exploit a patent after it is notified in the *Gazette* that the patent has lapsed and before it is notified in the *Gazette* that the patent has been reinstated, but any such protection shall not extend beyond such exploitation of the lapsed patent as such persons have availed themselves of or have taken definite steps to avail themselves of.

(6) No proceedings shall be taken in respect of an infringement of patent committed after it is notified in the *Gazette* that the patent has lapsed and before it is notified in the *Gazette* that the patent has been reinstated.

COMMENTARY

Subsections (4), (5), and (6) provide a form of protection to those who have exploited a lapsed patent or have taken steps to exploit the lapsed patent. These persons may then request the Registrar to grant a license to them to exploit the patented invention.

The procedures for making such a request are outlined in regulation 33B of the Regulations. In respect of infringement, protection is provided for those who lawfully exploit a lapsed patent.

Section 35B. Applicant or Patent Registration Office may request for international search

(1) Any applicant who files an application, other than an international application, for the grant of a patent with the Patent Registration Office may request that an international search be carried out on such application by the International Searching Authority which is specified under subsection 78L(1).

(2) The Patent Registration Office may subject an application, other than an international application, for the grant of a patent filed with it to an international search to be carried out by the International Searching Authority which is specified under subsection 78L(1).

(3) Where a search is carried out on an application pursuant to subsection (1) or (2), the description and claims contained in the application shall be presented in the languages specified by the International Searching Authority and the search fees as specified by the International Searching Authority shall be paid by the applicant either to the International Searching Authority directly or via the Patent Registration Office.

COMMENTARY

A new section 35B was inserted after section 35A by the Patents (Amendment) Act 2006 (Act A1264) section 2 which came into force on 16 August 2006.

PART VII

RIGHTS OF OWNER OF PATENT

Section 36. Rights of owner of patent

(1) Subject and without prejudice to the other provisions of this Part, the owner of a patent shall have the following exclusive rights in relation to the patent:

- (a) to exploit the patented invention;
- (b) to assign or transmit the patent; and
- (c) to conclude license contracts.

(2) No person shall do any of the acts referred to in subsection (1) without the consent of the owner of the patent.

(3) For the purpose of this Part, “exploitation” of patented invention means any of the following acts in relation to a patent:

- (a) when the patent has been granted in respect of a product:
 - (i) making, importing, offering for sale, selling, or using the product;
 - (ii) stocking such product for the purpose of offering for sale, selling, or using;
- (b) when the patent has been granted in respect of a process:
 - (i) using the process;
 - (ii) doing any of the acts referred to in paragraph (a), in respect of a product obtained directly by means of the process.

(4) For the purposes of this section, if the patent has been granted in respect of a process for obtaining a product, the same product produced by a person other than the owner of the patent or his licensee shall, unless the contrary is proved, be taken in any proceedings to have been obtained by that process.

COMMENTARY

Section 36 is perhaps one of the most important sections of the Patents Act

1983, as the successful applicant is conferred with the exclusive right to conclude license contracts in relation to the granted patent, to transfer or assign their rights in the patent, and to exploit the patent. In essence, a monopoly is attained, as these acts cannot be done without the consent of the patent owner.

Section 36 also goes further to define the scope of exploitation in respect of a patent granted for a product or process. This section also provides a statutory presumption that if a patent has been granted for a process, a similar product produced without the consent of the patent owner will be deemed to have been produced by that patented process, unless the contrary is proved.

Section 37. Limitation of rights

(1) The rights under the patent shall extend only to acts done for industrial or commercial purposes and, in particular, not to acts done only for scientific research.

(1A) The rights under the patent shall not extend to acts done to make, use, offer to sell or sell a patented invention solely for uses reasonably related to the development and submission of information to the relevant authority which regulates the manufacture, use or sale of drugs.

(2) Without prejudice to section 58A, the rights under the patent shall not extend to acts in respect of products which have been put on the market —

- (i) by the owner of the patent;
- (ii) by a person having the right referred to in section 38;
- (iii) by a person having the right referred to in section 43; and
- (iv) by the beneficiary of a compulsory license within the meaning of section 48.

(3) The rights under the patent shall not extend to the use of the patented invention on any foreign vessel, aircraft, spacecraft, or land vehicle temporarily in Malaysia.

(4) The rights under the patent shall be limited in duration as provided for in section 35.

(5) The rights under the patent shall be limited by the provisions of section 35A, by the provisions on compulsory licenses as provided in sections 51 and 52, and by the provisions on the rights of government or any person authorized by the government as provided in section 84.

COMMENTARY

Although the patent owner is conferred with certain exclusive rights, their exclusive rights will not extend to acts done for scientific research, thereby allowing scientific research to be carried out into means and ways as to the improvement of a patented product or process.

Section 37 also expressly provides that the rights shall not extend to products that have been put on the market by the patent owner or by any other persons authorized to do so, for example, a licensee or a beneficiary under a compulsory license. Section 37 has been amended by the Patents (Amendment) Act 2000 by the insertion of a new subsection (1A), which provides another limitation on the rights of the patentee. Acts done to make,

use, offer to sell or sell a patented invention solely for uses reasonably related to the development and submission of information to the relevant authority which regulates the manufacture, use, or sale of drugs will not amount to infringement of patent. This amendment seems to allow manufacturers of generic drugs to start preparation works, relating to submissions to the Drug Control Authority, during the term of the patent. In this way, generic drugs may be marketed immediately on expiry of the patent. Section 35(2) has been amended by replacing the words “The right” with the words “Without prejudice to section 58A, the rights”.

Section 38. Rights derived from prior manufacture or use

(1) Where a person at the priority date of the patent application

(a) was in good faith in Malaysia making the product or using the process which is the subject of the invention claimed in the application; or

(b) had in good faith in Malaysia made serious preparations towards the making of the product or using the process referred to in paragraph (a),

he shall have the right, despite the grant of the patent, to exploit the patented invention:

Provided that the product in question is made, or the process in question is used, by the said person in Malaysia:

Provided further that he can prove, if the invention was disclosed under the circumstances referred to in paragraphs (a), (b), or (c) of subsection (3) of section 14 that his knowledge of the invention was not a result of such disclosure.

(2) The right referred to in subsection (1) shall not be assigned or transmitted except as part of the business of the person concerned.

COMMENTARY

If, at the date of filing of the patent application in Malaysia, a person had in good faith made a product or used a process which is the subject matter of the patent application or had made serious preparations for doing the same, he will be allowed to exploit the patented invention even though a patent has been granted.

However, the product or process must be made or used in Malaysia. The element of good faith must be present as well in that there was no abuse of the applicant's rights as a result of acts committed by the applicant.

PART VIII

ASSIGNMENT AND TRANSMISSION OF PATENT APPLICATION AND PATENTS

Section 39. Assignment and transmission of patent applications and patents

(1) A patent application or patent may be assigned or transmitted.

(2) Any person becoming entitled by assignment or transmission to a patent application or patent may apply to the Registrar in the prescribed manner to have such assignment or transmission recorded in the Register.

(3) No such assignment or transmission shall be recorded in the Register unless —

(a) the prescribed fee has been paid to the Registrar; or

(b) in the case of an assignment, it is in writing signed by or on behalf of the contracting parties.

(4) No such assignment or transmission shall have effect against third parties unless so recorded in the Register.

COMMENTARY

The rights in a patent or a patent application can be assigned or transmitted. Having done so, the assignee can do what he pleases as he would have acquired the rights of the Assignor. Such assignments are governed by the normal rules relating to contract, for example, consideration. Once the assignment or transmission is completed, the person entitled to the patent may choose to have the assignment or transmission recorded in the Register.

The Act does not make it mandatory to have the same recorded. Nonetheless, on the side of caution, it is preferable that the assignment or transmission be recorded as an unrecorded assignment or transmission will cease to have effect on any third parties. The rules governing the recordal of an assignment or transmission are found in regulation 34 of the Regulations.

Section 40. Joint ownership of patent applications or patents

In the absence of any agreement to the contrary between the parties, joint owners of a patent application or patent may, separately, assign or transmit their rights in the patent application or patent, exploit the patented invention, and take action against any person exploiting the patented invention without their consent, but may only jointly withdraw the patent application, surrender the patent, or conclude a license contract.

COMMENTARY

Section 40 covers the aspect of what can be done separately or jointly in respect of rights acquired in a patent or patent applications that are jointly owned.

The consent of the joint owner is not required in cases wherein the rights concern assignment or transmission, exploitation of a patent, and the commencement of infringement proceedings. However, the consent of the joint owner is required in cases of withdrawal of the application or surrender of the patent or the conclusion of a license contract.

PART IX

LICENSE CONTRACTS

Section 41. Meaning of license contract

(1) For the purposes of this Part, a “license contract” means any contract by which the owner of a patent (the “licensor”) grants to another person or enterprise (the “licensee”) a license to do any or all of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

(2) A license contract shall be in writing and be signed by or on behalf of the contracting parties.

COMMENTARY

A license contract is a contract whereby another person or enterprise is

licensed to exploit the patent. It must be in writing and be signed by the contracting parties.

Section 42. Entry in the Register

(1) A licensor may in accordance with the regulations as prescribed by the Minister apply to the Registrar for an entry to be made in the Register to the effect that any person may obtain a license.

(2) At any time after an entry has been made in the Register, any person may apply to the licensor through the Registrar for a license.

(3) Where a license contract is concluded between the parties, the contracting parties shall inform the Registrar accordingly, and the Registrar shall record such fact in the Register.

(4) On request in writing, signed by or on behalf of the contracting parties, the Registrar shall, on payment of the prescribed fee, record in the Register such particulars relating to the contract as the parties thereto might wish to have recorded:

Provided that the parties shall not be required to disclose or have recorded any other particulars relating to the said contract.

(5) Where a license contract is terminated, the contracting parties shall inform the Registrar of the termination, and the Registrar shall record such termination in the Register.

(6) The licensor may, in accordance with the regulations as prescribed by the Minister, apply to the Registrar for the cancellation of the entry made under subsection (1).

COMMENTARY

Entry in the Register is governed by regulation 35 of the Regulations. If a licensor desires that an entry be made in the Register that any person may obtain a license, a formal application must be made and a fee must be paid.

This also applies for those who wish to have the particulars of the license contract recorded in the Register. In the event that a license contract is terminated, it must be made known to the Registrar.

Section 43. Rights of the licensee

(1) In the absence of any provision to the contrary in the license contract, the licensee shall be entitled to do any or all of the acts referred to in paragraph (a) of subsection (1) and subsection (3) of section 36 within the whole geographical area of Malaysia without limitation as to time and through any application of the invention.

(2) In the absence of any provision to the contrary in the license contract, the licensee may not give to a third person his agreement to perform in Malaysia in respect of the invention any of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

COMMENTARY

The rights of the licensee are restricted to Malaysia and the validity of the Malaysian patent.

The licensee will be allowed to exploit the patent in Malaysia and, if so provided in the license contract, the licensee may give a third party his agreement to exploit the patent in any of the ways under section 36, above.

Section 44. Rights of the licensor

(1) In the absence of any provision to the contrary in the license contract, the licensor may grant a further license to a third person in respect of the same patent or himself do any or all of the acts referred to in paragraph (a) of subsection (1) and subsection (3) of section 36.

(2) Where the license contract provides that the license is exclusive and unless it is expressly provided otherwise in such contract, the licensor shall not grant a further license to a third person in respect of the same patent or himself do any of the acts referred to in paragraph (a) of subsection (1) and subsection (3) of section 36.

COMMENTARY

If the license is non-exclusive, the licensor can sub-license the patent to a third party.

However, the licensor may not impose on the licensee restrictions not derived from the Patents Act 1983 or restrictions unnecessary for the safeguarding of such rights.

Section 45. Invalid clauses in license contracts

Any clause or condition in a license contract shall be invalid insofar as it imposes on the licensee, in the industrial or commercial field, restriction not derived from the rights conferred by this Part on the owner of the patent, or unnecessary for the safeguarding of such rights:

Provided that —

- (a) restrictions concerning the scope, extent, or duration of exploitation of the patented invention, or the geographical area in, or the quality or quantity of the products in connection with, which the patented invention may be exploited; and
- (b) obligations imposed on the licensee to abstain from all acts capable of prejudicing the validity of the patent, shall not be deemed to constitute such restrictions.

COMMENTARY

Any restrictions concerning the scope, extent, or duration of exploitation of the patented invention or the geographical area or the quality or quantity of the products in connection with the exploitation of the patented invention will not be deemed to constitute a restriction for purposes of section 45.

This also applies to obligations imposed on the licensee to refrain from doing anything which may prejudice the validity of the patent.

Section 46. Effect of patent application not being granted or patent being declared invalid

Where, before the expiration of the license contract, any of the following events occur in respect of the patent application or patent referred to in such contract:

- (a) the patent application is withdrawn;
- (b) the patent application is finally rejected;
- (c) the patent is surrendered;

(d) the patent is declared invalid;
 (e) the license contract is invalidated,
 the licensee shall no longer be required to make any payment to the licensor under the license contract, and shall be entitled to repayment of the payment already made:

Provided that the licensor shall not be required to make any repayment, or shall be required to make repayment only in part, to the extent that he can prove that any such repayment would be inequitable under all the circumstances, in particular if the licensee has effectively profited from the license.

Commentary

If any payment is required under a license contract, no payment will be required to be made if, before the expiration of the license contract, the patent application is withdrawn or rejected or the patent is surrendered or declared invalid or the license contract itself is invalidated.

Section 47. Expiry, termination, or invalidation of license contract

The Registrar shall —

(a) if he is satisfied that a recorded license contract has expired or been terminated, record that fact in the Register on a request in writing to that effect signed by or on behalf of the parties thereto;

(b) record in the Register the expiry, termination, or invalidation of a license contract under any provision of this Part.

COMMENTARY

Expiry, termination, or invalidation of a license contract is governed by regulation 37 of the Regulations.

PART X

COMPULSORY LICENSES

Section 48. Definition

For the purpose of this Part —

– “Beneficiary of the compulsory license” means the person to whom a compulsory license has been granted in accordance with this Part; and

– “Compulsory license” means the authorization to perform in Malaysia without the agreement of the owner of the patent in respect of the patented invention any of the acts referred to in paragraph (a) of subsection (1), and subsection (3), of section 36.

Section 49. Application for compulsory licenses

(1) At any time after the expiration of three years from the grant of a patent, or four years from the filing date of the patent application, whichever is the later, any person may apply to the Registrar for a compulsory licence under any of the following circumstances:

(a) where there is no production of the patented product or application of the patented process in Malaysia without any legitimate reason;

(b) where there is no product produced in Malaysia under the patent for sale in any domestic market, or there are some but they are sold at unreasonably high prices or do not meet the public demand without any legitimate reason.

(2) A compulsory licence shall not be applied for unless the person making the application has made efforts to obtain authorisation from the owner of the patent on reasonable commercial terms and conditions but such efforts have not been successful within a reasonable period of time.

(3) The application for a compulsory licence shall be in compliance with such regulations as may be prescribed by the Minister.

COMMENTARY

If, after three years from the date of grant of a patent, it appears that there is no production of the patented product or use of the patented process without any valid reasons, any person can apply to the Registrar for a compulsory licence. The same also applies if the patented product is sold at unreasonably high prices or does not reasonably meet the public demand.

The application for a compulsory licence is governed by regulation 38 of the Regulations. A formal application must be made to the Registrar, together with the payment of a fee.

Section 49 has been amended by the Patents (Amendment) Act 2000. The effect of the amendment is that now the prospective compulsory licensee must have made efforts to negotiate for a license from the patentee before applying for a compulsory license. Furthermore, the rights under the compulsory license are restricted to production for domestic consumption only.

Section 49A. Application for compulsory license based on interdependence of patents

(1) If the invention claimed in a patent (“later patent”) cannot be worked in Malaysia without infringing a patent granted on the basis of an application benefitting from an earlier priority date (“earlier patent”) and, if the invention claimed in the later patent constitutes, in the opinion of the Corporation, an important technical advance of considerable economic significance in relation to the invention claimed in the earlier patent, the Corporation, on the request of the owner of the later patent, the licensee of a license contract under the later patent, or the beneficiary of a compulsory license under the later patent, may grant a compulsory license to the extent necessary to avoid infringement of the earlier patent.

(2) If a compulsory license is granted under subsection (1), the Corporation, on the request of the owner of the earlier patent, the licensee of a license contract under the earlier patent, or the beneficiary of a compulsory license under the earlier patent, may grant a compulsory license under the later patent.

COMMENTARY

This is another form of compulsory license. This applies if a granted patent cannot be worked in Malaysia without infringing an earlier patent.

The later patent must, however, contain a significant or important technical improvement. Section 49A(1) has been amended by the Patents (Amendment) Act 2000 so that, after the words “an important technical advance”, the words “of considerable economic significance” are inserted.

The word 'Board' was substituted for the word 'Corporation' by the Patents (Amendment) Act 2002 (Act A1137) section 7 which came into force on 3 March 2003.

Section 50. Request for grant of compulsory license

(1) In an application for a compulsory license under section 49 or section 49A, the applicant shall set forth the amount of royalty, the conditions of the exploitation of the patent, and the restriction of the rights of the licensor or the licensee, as the case may be, and a request for the said license.

(2) Where an application for a compulsory license is filed pursuant to section 49 or section 49A, and this section, the Registrar shall notify the applicant, the licensor or the licensee, as the case may be, of the date the application shall be considered by the Corporation.

(3) The licensor or the licensee, as the case may be, shall be furnished with a copy of the application as mentioned in subsection (1).

COMMENTARY

A request for the grant of a compulsory license is governed by regulation 38 of the Regulations.

The word "Board" was substituted for the word "Corporation" by the Patents (Amendment) Act 2002 (Act A1137) section 8 which came into force on 3 March 2003.

Section 51. Decision by the Corporation

(1) In considering the application for a compulsory license under section 49 or section 49A, the Corporation may require the applicant, the licensor or the licensee, as the case may be, to appear before the Corporation to give a statement or to hand the Corporation any document or any other item.

(2) When the application has been considered by the Corporation and a decision has been made, the applicant, the licensor or the licensee, as the case may be, shall be notified of the decision.

COMMENTARY

This is governed by regulations 39 and 40 of the Regulations. On an application being made, the Board will consider the merits of the application within three months from the date of receipt. If the conditions for a compulsory license are met, a copy of the application will be sent to the licensor and licensee. The licensor and licensee will be given the opportunity to have their say.

Within the month of the date of making its decision, the Registrar shall notify the relevant parties and record the decision in the Register, setting out the following:

1. The name of the applicant;
2. The date of filing of the application;
3. The applicable statutory provision under which the application was made;
4. The title of the patented invention;
5. The number and date of grant of the patent in question;
6. The date and nature of the decision; and
7. If a compulsory license is granted, the terms and scope of the compulsory license in accordance with section 52.

The word “Board” was substituted for the word “Corporation” by the Patents (Amendment) Act 2002 (Act A1137) section 9 which came into force on 3 March 2003.

Section 52. Scope of compulsory license

On the granting of the compulsory license to the applicant, the Corporation shall fix —

- (a) the scope of the license, specifying in particular the period for which licence is granted;
- (b) the time limit within which the beneficiary of the compulsory license shall begin to work the patented invention in Malaysia; and
- (c) the amount and conditions of the royalty due from the beneficiary of the compulsory license to the owner of the patent.

COMMENTARY

The above are the terms in the compulsory license that are to be fixed by the Patents Board.

The word “Board” was substituted for the word “Corporation” by the Patents (Amendment) Act 2002 (Act A1137) section 10 which came into force on 3 March 2003.

Section 52 paragraph (a) was amended by the Patents (Amendment) Act 2003 (Act A1196) section 4 which came into force on 14 August 2003.

Section 53. Limitation of compulsory license

- (1) A compulsory licence granted by the Corporation –
 - (a) shall not be assigned otherwise than in connection with the goodwill or business or that part of the goodwill or business in which the patented invention is used;
 - (b) shall be limited to the supply of the patented invention predominantly in Malaysia.
- (2) The beneficiary of the compulsory licence shall not include licence contracts with third persons under the patent in respect of which the compulsory licence was granted.

COMMENTARY

Where a compulsory license is granted, the beneficiary will not be allowed to sub-license the patent to another party outside the parties to the said compulsory license. Section 53 has been amended by Patents (Amendment) Act 2000 so as to further limit the rights of the beneficiary of the compulsory license.

The word “Board” was substituted for the word “Corporation” by the Patents (Amendment) Act 2002 (Act A1137) section 11 which came into force on 3 March 2003.

Section 54. Amendments, cancellation, and surrender of compulsory license

- (1) On the request of the owner of the patent or of the beneficiary of the compulsory license, the Corporation may amend the decision granting the compulsory license to the extent that new facts justify such amendment.
- (2) On the request of the owner of the patent, the Corporation shall cancel the compulsory license —

(a) if the ground for the grant of the compulsory license no longer exists;

(b) if the beneficiary of the compulsory license has, within the time limit fixed in the decision granting the license, neither begun the working of the patented invention in Malaysia nor made serious preparations towards such working;

(c) if the beneficiary of the compulsory license does not respect the scope of the license as fixed in the decision granting the license; or

(d) if the beneficiary of the compulsory license is in arrears of the payment due, according to the decision granting the license.

COMMENTARY

A compulsory license can be amended on request by the owner of the patent or the beneficiary concerned provided that there are new facts justifying the said amendment.

The word “Board” was substituted for the word “Corporation” by the Patents (Amendment) Act 2002 (Act A1137) section 12 which came into force on 3 March 2003.

The cancellation of a compulsory license can only be requested by the owner of the patent and only on grounds (a)-(d) of section 54(2). The amendment or cancellation of a compulsory license is governed by regulation 41 of the Regulations.

(3) The beneficiary of the compulsory license may surrender the license by a written declaration submitted to the Registrar, who shall record the surrender in the Register, publish it, and notify the owner of the patent.

COMMENTARY

Like a patent, the beneficiary of a compulsory patent may choose to surrender the compulsory license.

A written declaration to that effect will be required. The surrender of a compulsory license is governed by regulation 42 of the Regulations.

(3A) Where a compulsory license has been granted in respect of a patent, the Registrar shall not accept or record the said surrender except on receipt of a signed declaration by which the beneficiary of the compulsory license consents to the said surrender.

COMMENTARY

The consent of the beneficiary *vide* a written and signed declaration that the beneficiary consents to the surrender is a must for the acceptance or surrender of the said compulsory license.

(4) The surrender shall take effect from the date the Patent Registration Office receives the declaration of the surrender.

COMMENTARY

In accordance with regulation 42 of the Regulations, the Registrar will publish the surrender in the *Gazette*.

PART XI

SURRENDER AND INVALIDATION OF PATENT

Section 55. Surrender of patent

(1) The owner of the patent may surrender the patent by a written declaration submitted to the Registrar.

(2) The surrender may be limited to one or more claims of the patent.

COMMENTARY

The recorded owner of the patent shall have the option to surrender the entire patent, or he may choose to limit the surrender in respect of some of the claims of the patent.

The surrender of a patent is governed by regulation 43 of the Regulations.

(3) Where a license contract in respect of a patent is recorded in the Register, the Registrar shall not, in the absence of any provision to the contrary in the license contract, accept or record the said surrender except on receipt of a signed declaration by which every licensee or sub-licensee on record consents to the said surrender, unless the requirement of his consent is expressly waived in the license contract.

COMMENTARY

If a license contract has been recorded in the Register of Patents and in the absence of provisions limiting such surrender, the Registrar will only accept and record the surrender if a written declaration is signed by the relevant parties on record.

(4) The Registrar shall record the surrender in the Register and cause it to be published in the *Gazette*.

COMMENTARY

Every surrender must be recorded in the Register and then published in the *Gazette*.

(5) The surrender shall take effect from the date the Registrar receives the declaration.

COMMENTARY

The surrender of the patent under this section and regulation 43 of the Regulations will take effect on the date of receipt of the written declaration.

Section 56. Invalidation of patent

(1) Any aggrieved person may institute court proceedings against the owner of the patent for the invalidation of the patent.

(2) The court shall invalidate the patent if the person requesting the invalidation proves —

(a) that what is claimed as an invention in the patent is not an invention within the meaning of section 12 or is excluded from protection under section 13 or subsection (1) of section 31 or is not patentable because it does not comply with the requirements of sections 11, 14, 15, and 16;

(b) that the description or the claim does not comply with the requirements of section 23;

(c) that any drawings which are necessary for the understanding of the claimed invention have not been furnished;

(d) that the right to the patent does not belong to the person to whom the patent was granted; or

(e) that incomplete or incorrect information has been deliber-

ately provided or caused to be provided to the Registrar under subsection (4) of section 29A by the person to whom the patent was granted or by his agent.

(2A) Notwithstanding subsection (2), the court shall not invalidate the patent on the ground mentioned in paragraph (d) of subsection (2) if the patent has been assigned to the person to whom the right to the patent belongs.

(3) Where the provisions of subsection (1) apply on only some of the claims or some parts of a claim, such claims or parts of a claim may be declared invalid by the court, and the invalidity of part of a claim shall be declared in the form of a corresponding limitation of the claim in question.

COMMENTARY

Invalidation proceedings can only be commenced against a granted patent. Malaysian patents law does not provide for pre-grant opposition. The proceedings for invalidation are to be commenced against the recorded owner of the patent in the Patents Register. The grounds for invalidation proceedings are outlined in paragraphs (a)-(e), above. Invalidation proceedings can only be brought in the High Courts. The lower courts (Magistrate and Sessions Court) have no jurisdiction to entertain such proceedings.

Under regulation 44 of the Regulations, the owner of the patent shall notify any licensees of such proceedings. The same regulation also provided that, in cases where a compulsory license has been granted, the person requesting the invalidation must notify the beneficiary or beneficiaries, as the case may be.

Section 57. Date and effect of invalidation

(1) Any invalidated patent or claim or part of a claim shall be regarded as null and void from the date of the grant of the patent.

(2) When the decision of the court becomes final, the Registrar of the court shall notify the Registrar who shall record the said declaration in the Register and cause it to be published in the *Gazette*.

COMMENTARY

If a patent is held invalid by the court, the patent or its claim or part of its claim shall be regarded as null and void from the date the patent in question was granted.

On the invalidation, the Registrar of the court shall notify the Registrar of Patents, who shall then record the declaration and have the same published in the *Gazette*.

PART XII INFRINGEMENT

Section 58. Acts deemed to be infringement

Subject to subsections (1), (2), and (3) of section 37 and section 38, an infringement of a patent shall consist of the performance of any act referred to in subsection (3) of section 36 in Malaysia by a person other than the owner of the patent and without the agreement of the latter in relation to a product or a process falling within the scope of protection of the patent.

Section 58A. Acts deemed to be non-infringement

(1) It shall not be an act of infringement to import, offer for sale, sell or use—

(a) any patented product; or

(b) any product obtained directly by means of the patented process or to which the patented process has been applied, which is produced by, or with the consent, conditional or otherwise, of the owner of the patent or his licensee.

(2) For the purposes of this section, “patent” includes a patent granted in any country outside Malaysia in respect of the same or essentially the same invention as that for which a patent is granted under this Act.

COMMENTARY

Infringement occurs when there is exploitation of the patent without the consent, license, and/or agreement of the patent owner. “Exploitation” is defined in section 36(3), above. The Patents (Amendment) Act 2000 has inserted after section 58 a new section called section 58A. Section 58A expressly declares that parallel import action of a patented product or any product obtained directly by means of the patented process or to which the patented process has been applied are acts which are not infringing.

Section 59. Infringement proceedings

(1) The owner of the patent shall have the right to institute court proceedings against any person who has infringed or is infringing the patent.

COMMENTARY

Malaysia has no specialist courts for patent matters. Actions against any person who has exploited a patent without the consent, license, and/or agreement of the patent owner are commenced in the High Courts by way of a writ action.

Actions for patent infringement, like proceedings for invalidation, cannot be commenced in the lower courts (Magistrate and Sessions Court). The proper plaintiff will be the owner of the patent. Actions for patent infringement are treated like any civil, action. The rules of procedure applicable in the High Court are applicable.

(2) The owner of the patent shall have the same right against any person who has performed acts which make it likely that an infringement will occur, which in this Part is referred to as an “imminent infringement”.

COMMENTARY

Malaysian patent law also provides that an action for infringement also can be brought against any person who has performed acts which enable a patent to be infringed.

Knowledge that the act in question is likely to lead to patent infringement is not a prerequisite for actions of imminent infringement. As long as the person does an act that enables a patent to be infringed, an action for imminent infringement can be commenced against such person.

(3) The proceedings in subsection (1) and (2) may not be instituted after five years from the act of infringement.

COMMENTARY

The limitation period for bringing an action for patent infringement is five years from the alleged act of infringement.

Section 60. Injunction and award of damages

(1) If the owner of the patent proves that an infringement has

been committed or is being committed, the court shall award damages and shall grant an injunction to prevent further infringement and any other legal remedy.

(2) If the owner of the patent proves imminent infringement, the court shall grant an injunction to prevent infringement and any other legal remedy.

COMMENTARY

If the patent owner is successful, the court will grant an injunction to prevent further infringement and damages.

Other forms of relief available to the successful plaintiff are a declaration that the subject matter is valid (“contested validity”) and has been infringed, an order for the delivery up of the infringing product or the means and apparatus used for making the infringing products, an order for the destruction on oath of the infringing products, an account of profit, and costs of proceedings.

(3) The defendant in any proceedings referred to in this section may request in the same proceedings the invalidation of the patent, in which case the provisions of subsections (2) and (3) of section 56 shall apply.

COMMENTARY

It is open to the defendant in any infringement proceedings to allege that the patent is invalid by way of counterclaim and thereby be declared null and void from the date of grant. The burden of proof will then shift to the defendant.

The plaintiff or defendant may request that the counterclaim be heard first to determine the validity of the patent before infringement is proved or considered.

Section 61. Infringement proceedings by licensee and beneficiary of compulsory license

(1) For the purposes of this section, “beneficiary” means —

(a) any licensee unless the license contract provides that the provisions of this subsection do not apply or provides different provisions;

(b) the beneficiary of a compulsory license granted under section 51.

(2) Any beneficiary may request the owner of the patent to institute court proceedings for any infringement indicated by the beneficiary, who shall specify the relief desired.

(3) The beneficiary may, if he proves that the owner of the patent received the request but refuses or fails to institute the proceedings within three months from the receipt of the request, institute the proceedings in his own name, after notifying the owner of the patent of his intention, but the owner shall have the right to join in the proceedings.

COMMENTARY

The right to commence proceedings for patent infringement remains with the owner of the patent. Nonetheless, a beneficiary in accordance with the above section may commence actions for patent infringement, provided that it can be proved that a request was made to the owner of the patent and

that the owner of the patent has refused or has failed to institute proceedings within three months from the date of the request.

(4) Notwithstanding that the three-month period referred to in subsection (3) has not been satisfied, the court shall, on the request of the beneficiary, grant an appropriate injunction to prevent infringement or to prohibit its continuation, if the beneficiary proves that immediate action is necessary to avoid substantial damage.

COMMENTARY

The court has the discretion to grant an injunction or to issue a prohibitory order if the beneficiary can prove that the same is necessary to prevent further infringement.

Section 62. Declaration of non-infringement

(1) Subject to subsection (4), any interested person shall have the right to request, by instituting proceedings against the owner of the patent, that the court declare that the performance of a specific act does not constitute an infringement of the patent.

COMMENTARY

Any interested person can seek an order from the court declaring that the act performed in question is not an act that infringes the patent. Such proceedings must be commenced against the owner of the patent.

(2) If the person making the request proves that the act in question does not constitute an infringement of the patent, the court shall grant the declaration of non-infringement.

COMMENTARY

The burden of proof lies on the person making the request to prove that the act in question is not an act infringing the patent.

(3) (a) The owner of the patent shall have the obligation to notify the licensee of the proceedings, and the licensee shall have the right to join in the proceedings in the absence of any provision to the contrary in the license contract.

COMMENTARY

If a license contract has been concluded, in the absence of provisions to the contrary, the owner of the patent must inform the licensee, and the licensee may choose to join or not to join in the proceedings.

(b) The person requesting the declaration of non-infringement shall have the obligation to notify the beneficiaries of the compulsory license granted under section 51 of the proceedings, and the beneficiaries shall have the right to join the proceedings.

COMMENTARY

In cases where a compulsory license has been granted, the person requesting the declaration must inform the beneficiaries, and the beneficiaries can choose to become or not to become a party to the proceedings.

(4) If the act in question is already the subject of infringement proceedings, the defendant in the infringement proceedings may not institute proceedings for a declaration of non-infringement.

COMMENTARY

If proceedings for infringement have already been instituted, proceedings seeking a declaration of non-infringement cannot be commenced.

(5) Proceedings for a declaration of non-infringement may be instituted together with proceedings to invalidate the patent, except where invalidation of the patent is requested under subsection (3) of section 60.

COMMENTARY

A party may elect to commence concurrent proceedings for invalidation and a declaration of non-infringement except in cases where an action for invalidation has been brought about in a case of patent infringement.

In that case, no proceedings seeking a declaration of non-infringement will be entertained.

Section 62A. Applications in contravention of section 23A

Any person who files or causes to be filed an application for a patent in contravention of section 23A commits an offense and is liable on conviction to a fine not exceeding R15,000, or to imprisonment for a term not exceeding two years, or to both.

COMMENTARY

Section 62A must be read in line with section 23A. This section provides that a filing of the patent application outside Malaysia by Malaysian residents is a criminal offense.

Section 62B. Publication of information in contravention of Registrar's directions

Any person who publishes or communicates information in contravention of any direction issued by the Registrar under section 30A commits an offense and is liable on conviction to a fine not exceeding R15,000 or to imprisonment for a term not exceeding two years, or to both.

COMMENTARY

Section 62B must be read in line with section 30A. This section provides that any publication of information, which the Registrar has directed, is prejudicial to the national interest and national security and is deemed to be a criminal offense.

PART XIII

OFFENSES

Section 63. Falsification of Register, etc.

Any person who makes or causes to be made a false entry in any Register kept under the Act, or makes or causes to be made a writing falsely purporting to be a copy or reproduction of an entry in any such Register, or produces or tenders or causes to be produced or tendered in evidence any such false writing, commits an offense and is liable on conviction to a fine not exceeding R15,000, or to imprisonment for a term not exceeding two years, or to both.

COMMENTARY

It is an offense to enter false details or to contribute to the entering of such false details in the Register of Patents.

It also is an offense to pass off any written document as being a copy or reproduction of an entry in the Register.

Section 64. Unauthorized claim or patent

(1) Any person who falsely represents that anything disposed of

by him for value is a patented product or process commits an offense and, subject to the following provisions of this section, is liable on conviction to a fine not exceeding R15,000, or to imprisonment for a term not exceeding two years, or to both.

(2) For the purposes of subsection (1), a person who for value disposes of an article having stamped, engraved, or impressed on it or otherwise applied to it the word “patent” or “patented” or anything expressing or implying that the article is a patented product, shall be taken to represent that the article is a patented product.

(3) Subsection (1) does not apply where the representation is made in respect of a product after the patent for that product or, as the case may be, the process in question has, expired or been invalidated and before the end of a period which is reasonably sufficient to enable that person to take steps to ensure that the representation is not made or does not continue to be made.

(4) In proceedings for an offense under this section, it shall be a defense for any person to prove that he used due diligence to prevent the commission of the offense.

COMMENTARY

It is an offense to falsely represent that a patent exists or to do anything to imply that patent protection exists.

However, if a patent has expired or has been invalidated, the person concerned must be given time to take steps to take remedial measures. In this offense, it is a defense to say that due diligence has been taken to prevent the offense from being committed.

Section 65. Unauthorized claim that patent has been applied for

(1) Any person who represents that a patent has been applied for in respect of any article disposed of for value by him and —

(a) no such application has been made, or

(b) any such application has been refused or withdrawn, commits an offense and, subject to the following provisions of this section, is liable on conviction to a fine not exceeding R15,000, or to imprisonment for a term not exceeding two years, or to both.

(2) Paragraph (b) of subsection (1) does not apply where the representation is made or continues to be made before the expiry of a period which commences with the refusal or withdrawal and which is reasonably sufficient to enable that person to take steps to ensure that the representation is not made or does not continue to be made.

(3) For the purposes of subsection (1), a person who for value disposes of an article having stamped, engraved, or impressed on it or otherwise applied to it the words “patent pending”, or anything expressing or implying that a patent has been applied for in respect of the article, shall be taken to represent that a patent has been applied for in respect of the article.

(4) In any proceedings for an offense under this section, it shall be a defense for any person to prove that he used due diligence to prevent the commission of the offense.

COMMENTARY

It is an offense to falsely represent that a patent has been applied for or to do anything to imply that an application is being made.

Again, if a patent has been withdrawn or refused, the person concerned must be given time to take steps to take remedial measures. In this offense, it also is a defense to say that due diligence has been taken to prevent the offense from being committed.

Section 66. Misuse of title “Patent Registration Office”

Any person who uses on his place of business or any document issued by him or otherwise the words “Patent Registration Office” or any other words suggesting that his place of business is, or is officially connected with, the Patent Registration Office commits an offense and is liable on conviction to a fine not exceeding R15,000, or to imprisonment for a term not exceeding two years, or to both.

COMMENTARY

It is an offense to false imply that one’s place of business or document issued is related to the Patent Registration Office.

Section 66A. Unregistered persons practicing, etc., as a patent agent

Any person who carries on business, practices, acts, describes himself, holds himself out, or permits himself to be described or held out, as a patent agent without being registered under the Act commits an offense and is liable on conviction to a fine not exceeding R15,000, or to imprisonment for a term not exceeding two years, or to both.

Commentary

Under the Patent Act, every patent agent must be registered in the Register of Patent Agents. This is governed by regulation 45C of the Regulations. The renewal of such registrations is governed by regulation 45E of the Regulations.

Prior to being registered as a patent agent, any interested person must sit for an examination. The guidelines regarding examinations for patent agents are governed by regulation 45D of the Regulations.

Under regulation 45F of the Regulations, any person who has been convicted of fraud or dishonesty will have their registration as a patent agent canceled.

Section 67. Offenses by corporation

(1) Where an offense under the Act which has been committed by a body corporate is proved to have been committed with the consent or connivance of or to be attributable to any neglect on the part of a director, manager, secretary, or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, commits that offense and is liable to be prosecuted against and punished accordingly as provided by the Act.

(2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of a body corporate.

COMMENTARY

Corporations will not be exempted from liability for offenses committed by the officers of the company in question.

PART XIV**POWERS RELATING TO ENFORCEMENT****Section 68. Authorization of officer to exercise powers under this Part**

(1) The Minister may authorize in writing any public officer to exercise the powers under this Part.

(2) Any such officer shall be deemed to be a public servant within the meaning of the Penal Code.

(3) In exercising any of the powers under this Part, an officer shall on demand produce to the person against whom he is acting under the Act the authority issued to him by the Minister.

COMMENTARY

Any public officer with the Minister's authority can take steps against any offenses committed under the Patents Act 1983.

Section 69. Powers of arrest

(1) Any authorized officer or police officer may arrest without warrant any person whom he sees or finds committing or attempting to commit or abetting the commission of an offense or whom he reasonably suspects of being engaged in committing or attempting to commit or abetting the commission of any offense against the Act if such person refuses or fails to furnish his name and residence or there are reasonable grounds for believing that he has furnished a false name or residence or that he is likely to abscond.

(2) Any authorized officer or police officer making an arrest without warrant shall, without unnecessary delay, bring the person arrested to the nearest police station.

(3) No person who has been arrested by an authorized officer or police shall be released except on his own bond or on bail or on the special order in writing of a Magistrate.

COMMENTARY

The authorized officer has the power to arrest without a warrant if the person concerned refuses to divulge his name and residence, or there is reason to believe that a false name and address have been provided.

Section 70. Search with warrant

(1) Whenever it appears to any Magistrate on written information on oath and after any enquiry which he may think necessary that there is reasonable cause to believe that in any dwelling, house, shop, building, or place there is being committed an offense against the Act, or any regulations made thereunder, he may issue a warrant authorizing any authorized officer or police officer named therein, by day or night and with or without assistance, to enter the dwelling, house, shop, building, or place and there search for and seize or take copies of all books, accounts, documents, or other

articles which contain or are suspected to contain information as to any offense so suspected to have been committed or any other thing relating to the offense.

- (2) Any such officer may, if it is necessary so to do —
- (a) break open any outer or inner door of the dwelling, house, shop, building, or place, and enter thereinto;
 - (b) forcibly enter the dwelling, house, shop, building, or place and every part thereof;
 - (c) remove by force any obstruction to enter, search, seize, and remove as he is empowered to effect; and
 - (d) detain every person found therein until the dwelling, house, shop, building, or place has been searched.

COMMENTARY

The authorized officer with a warrant may enter a dwelling, house, shop, building, or place and to search and seize or take copies of all books, accounts, documents, or articles which contain or are suspected to contain information as to any offenses under the Patents Act 1983.

Section 71. List of things seized

The authorized officer or police officer seizing any books, accounts, documents, or other articles under this Part shall prepare a list of the things seized and forthwith deliver a copy signed by him to the occupier or his agents or servants present in the premises.

COMMENTARY

A list must be made of all things seized and a signed copy made available to the occupier or agents or servants present in the raided premise.

Section 72. Return of things seized

Where, under this Part, possession has been taken of any books, accounts, documents, or other articles, then the authorized officer or police officer shall, within four weeks of the seizure, where no criminal proceedings have been instituted, restore possession to the owner.

COMMENTARY

If no criminal proceedings are instituted, the items seized must be returned to the owner within four weeks of the said seizure.

Section 73. Power of investigation

(1) An authorized officer or police officer shall have the power to investigate the commission of any offense under the Act or regulations made thereunder.

(2) Every person required by an authorized officer or police officer to give information or produce any book, account, document, or other article relating to the commission of such offense which it is in the person's power to give shall be legally bound to give the information or to produce the book, account, document, or other article.

COMMENTARY

There is a general power to investigate offenses under the Act and, where necessary, the parties involved are required to assist the investigation.

Section 74. Examination of witnesses

(1) An authorized officer or police making an investigation under section 73 may examine orally any person supposed to be acquainted with the facts and circumstances of the case and shall reduce into writing any statement made by the person so examined.

(2) Such person shall be bound to answer all question relating to such case put to him by such officer:

Provided that such person may refuse to answer any question the answer to which has a tendency to expose him to a criminal charge or penalty or forfeiture.

(3) A person making a statement under this section shall be legally bound to state the truth, whether or not such statement is made wholly or partly in answer to questions.

(4) An authorized officer or police officer examining a person under subsection (1) shall first inform that person of the provisions of subsections (2) and (3).

(5) A statement made by any person under this section, whether or not a caution has been administered to him under section 75, shall, whenever possible, be reduced into writing and signed by the person making it or affixed with his thumb-print, as the case may be, after it has been read to him in the language in which he made it and after he has been given an opportunity to make any correction he may wish.

COMMENTARY

There is a power conferred on the authorized officer or police officer in the course of their investigations to examine witnesses and to record a statement.

The statement must be reduced into writing and signed or marked by the person making the statement. Refusal to answer questions may subject the person concerned to a criminal charge or penalty or forfeiture.

Section 75. Admission of statement in evidence

Where any person is charged with any offense under the Act or any regulations made thereunder, any statement whether the statement amounts to a confession or not or is oral or in writing, made at any time, whether before or after the person is charged and whether in the course of investigations made under section 74 or not, and whether or not wholly or partly in answer to questions by that person to or in the hearing of any authorized officer or police officer of or above the rank of Inspector and whether or not interpreted to him by another authorized officer, police officer or other person, shall be admissible in evidence at his trial and, if the person charged tenders himself as a witness, any such statement may be used in cross-examination and for the purpose of impeaching his credit:

Provided that —

- (a) no such statement shall be admissible or used as aforesaid —
 - (i) if the making of the statement appears to the court to have been caused by any inducement, threat, or promise having ref-

erence to the charge proceeding from a person in authority and sufficient in the opinion of the court to give the person charged grounds which would appear to him reasonable for supposing that by making it he would gain any advantage or avoid any evil of a temporal nature in references to the proceedings against him; or

- (ii) in the case of a statement made by the person after his arrest, unless the court is satisfied that a caution was administered to him in the following words or words to the like effect:

“It is my duty to warn you that you are not obliged to say anything or to answer any question, but anything you say, whether or not in answer to a question, may be given in evidence”; and

- (b) a statement made by any person before there is time to caution him shall not be rendered inadmissible in evidence merely by reason of no such caution having been administered if it had been administered as soon as possible.

(2) Notwithstanding anything to the contrary contained in any written law, a person accused of an offense to which subsection (1) applies shall not be bound to answer any questions relating to the case after any such caution as aforesaid has been administered to him.

COMMENTARY

Such statements, as indicated above, can be used as evidence in court, subject to section (a)(i) and (ii), above.

Section 76. Obstruction to search, etc.

Any person who —

(a) refuses any authorized officer or police officer access to any place;

(b) assaults, obstructs, hinders, or delays any authorized officer or police officer in effecting any entrance which he is entitled to effect under this Act, or in execution of any duty imposed or power conferred by the Act; or

(c) refuses or neglects to give any information which may reasonably be required of him and which he has it in his power to give, commits an offense and is liable on conviction to a fine not exceeding R3,000, or to imprisonment for a term not exceeding one year, or to both.

COMMENTARY

It is an offense to hinder any search into any offenses carried out under the Patents Act 1983.

Section 77. Conduct of prosecution

No prosecution for any offence under this Act shall be instituted except by or with the consent in writing of the Public Prosecutor.

COMMENTARY

Section 77 was amended by the Patents (Amendment) Act 2002 (Act A1137) section 13 which came into force on 3 March 2003.

Section 78. Jurisdiction of subordinate court

(1) Notwithstanding any other written law, a subordinate court shall have power to try any offense under the Act and on conviction to impose the full penalty therefor.

(2) For the purpose of subsection (1), “subordinate court” means a Sessions Court or a Magistrate’s Court.

COMMENTARY

In the trying of offenses under the Patents Act 1983, the lower courts have the jurisdiction to hear them.

PART XIVA**INTERNATIONAL APPLICATIONS UNDER THE PATENT COOPERATION TREATY****Section 78A. Interpretation**

For the purposes of this Part—

– “International Bureau” means the International Bureau of the World Intellectual Property Organization and, as long as it subsists, the United International Bureau for the Protection of Intellectual Property (BIRPI);

– “international search” means a search conducted by the International Searching Authority appointed under Article 16 of the Treaty to discover relevant prior art with respect to the invention;

– “international phase” means the period beginning from the filing of an international application to the time the international application enters the national phase;

– “national phase” means the period beginning from the performance, by the applicant, of the acts specified in subsection 78o(1);

– “State” means a state which is a party to the Treaty;

– “patent” includes utility innovation;

– “receiving office” means the national office or the intergovernmental organization with which the international application has been filed;

– “elected office” means the national office of or acting for the State elected by the applicant under Chapter II of the Treaty;

– “designated office” means the national office of or acting for the State designated by the applicant under Chapter I of the Treaty;

– “international preliminary examination” means a preliminary and non-binding examination carried out by the International Preliminary Examination Authority appointed under Article 32 of the Treaty on the questions of whether the invention appears to be novel, involves an inventive step and is industrially applicable;

– “international application” means an application for a patent filed under the Treaty”;

– “Treaty” means the Patent Cooperation Treaty done at Washington on 19 June 1970.

Section 78B. Application

The provisions of this Part shall apply to an international application filed under the Treaty.

Patent 78C. Patent Registration Office as receiving office

The Patent Registration Office shall act as a receiving office for an international application.

Section 78D. Patent Registration Office as designated office

The Patent Registration Office shall act as a designated office for an international application in which Malaysia is designated for the purposes of obtaining a patent under Parts IVA and VI.

COMMENTARY

Section 78D was amended by the Patents (Amendment) Act 2006 (Act A1264) section 4 which came into force on 16 August 2006 by substituting the words “or utility innovation under Part VI” the words “under Parts IVA and VI”.

Section 78E. Patent Registration Office as elected office

The Patent Registration Office shall act as an elected office for an international application if the applicant elects Malaysia as a State in which he intends to use the results of the international preliminary examination.

Section 78F. Persons eligible for international application

Subject to section 23A, any person who is a citizen or resident of Malaysia shall be entitled to file an international application for a patent with the Patent Registration Office.

COMMENTARY

Section 78F was amended by the Patents (Amendment) Act 2006 (Act A1264) section 5 which came into force on 16 August 2006 by substituting the word “Any” the words “Subject to section 23A, any”.

Section 78G. Filing of an international application

(1) An international application shall be filed by submitting to the Patent Registration Office a request in the prescribed form together with a description, one or more claims, drawings, if any, and an abstract in the form as specified in the Treaty.

(1A) An international application shall be filed in the English language.

(2) The request shall contain –

(a) a petition to the effect that the international application be processed according to the Treaty;

(b) the designation of the State or States in which protection for the invention is desired;

(c) the name, nationality and residence of the applicant;

(d) the name and the place of business of the applicant’s agent, if any;

- (e) the title of the invention; and
- (f) the name and address of the inventor.

(2A) An international application which has been accorded an international filing date shall have the effect of a patent application under this Act if the application designates Malaysia for the purpose of obtaining a patent under this Act and the international filing date shall be considered to be the filing date for the purposes of Parts IVA and VI.

COMMENTARY

Section 78G subsection (1) was amended by the Patents (Amendment) Act 2006 (Act A1264) section 6(a) which came into force on 16 August 2006 by inserting after the word “abstract” the words “in the form as specified in the Treaty.”

Section 78G subsection (1A) was inserted by the Patents (Amendment) Act 2006 (Act A1264) section 6(b) which came into force on 16 August 2006.

Section 78G subsection (2A) was inserted by the Patents (Amendment) Act 2006 (Act A1264) section 6© which came into force on 16 August 2006.

Section 78G subsection (3) “The application shall be submitted together with the prescribed fee.” Was deleted by the Patents (Amendment) Act 2006 (Act A1264) section 6(d) which came into force on 16 August 2006.

. . .

Section 78K. Processing of international applications

The Treaty shall apply to the processing of an international application during the international phase of the application.

COMMENTARY

Section 78K was amended by deleting the words “and its rules” after the words “The Treaty” by the Patents (Amendment) Act 2006 (Act A1264) section 10 which came into force on 16 August 2006.

Section 78KA. Fees

An international application shall be subject to the fees as specified in the Treaty and other prescribed fees.

COMMENTARY

A new section 78KA was inserted by the Patents (Amendment) Act 2006 (Act A1264) section 10 which came into force on 16 August 2006.

Section 78L. International Searching Authority

(1) The Registrar shall, by notification published in the Gazette, specify the International Searching Authority which is competent to carry out the international search for international applications filed with the Patent Registration Office.

(2) When there is more than one competent International Searching Authority, the applicant shall indicate his choice of International Searching Authority in the request.

Section 78M. International Preliminary Examination Authority

(1) The Registrar shall, by notification published in the Gazette, specify the International Preliminary Examination Authority which is competent to carry out the international preliminary examination

for international applications filed with the Patent Registration Office.

(2) The applicant may request for an international preliminary examination to be carried out in respect of the application by submitting a demand in accordance with the Treaty.

COMMENTARY

Section 78M was amended by the Patents (Amendment) Act 2006 (Act A1264) section 10 which came into force on 16 August 2006 by substituting the words “the prescribed form and paying the prescribed fee” the words “accordance with the Treaty.”

Section 78N. International publication of international application and its effect

(1) The international publication of an international application by the International Bureau designating Malaysia as a designated office shall have the same effect as the making available for public inspection under section 34 of a patent application if the international publication is transmitted to and received by the Patent Registration Office.

(2) The Patent Registration Office shall make available the international publication of the international application designating Malaysia as a designated office for public inspection as soon as possible.

Section 78O. Entering the national phase

(1) Where in an international application, the applicant designates Malaysia for the purpose of obtaining a patent under this Act, the applicant shall, before the expiration of thirty months from the priority date—

- (a) submit to the Patent Registration Office a copy of the international application in the English language; and
- (b) pay the prescribed fee.

(2) The Patent Registration Office shall not examine the international application submitted under subsection (1) prior to the expiration of thirty months from the priority date.

(3) Notwithstanding subsection (2), the Patent Registration Office may, on the request of the applicant, examine an international application prior to the expiration of thirty months from the priority date, if the applicant has—

- (a) submitted to the Patent Registration Office a copy of the international application in the English language; and
- (b) paid the prescribed fee under subsection (1).

(4) If the applicant does not comply with the requirements of subsection (1), the international application shall be considered to be withdrawn for the purposes of this Act and the Registrar shall notify the applicant that his international application is considered to have been withdrawn.

(5) Any application which has entered the national phase shall comply with the requirements of this Act.

COMMENTARY

Section 78O was amended by the Patents (Amendment) Act 2006 (Act A1264) section 13 which came into force on 16 August 2006.

Section 78OA. Reinstatement

(1) Where an international application is considered to be withdrawn under section 78O, the applicant may, in writing, apply to the Patent Registration Office to have the international application reinstated by—

(a) submitting to the Patent Registration Office a copy of the international application in the English language and paying the prescribed fee under subsection 78O(1);

(b) submitting a written statement stating the reasons for the failure to comply with subsection 78O(1) and a declaration or other evidence in support of the reasons for such failure; and

(c) paying the prescribed fee.

(2) The application under subsection (1) shall be made within whichever of the following period expires first:

(a) two months from the date of removal of the cause of the failure to meet the time limit provided in subsection 78O(1); or

(b) twelve months from the date of the expiration of the time limit provided in subsection 78O(1).

(3) Where the Patent Registration Office is satisfied that the failure by the applicant to comply with the requirements of subsection 78O(1) was unintentional, the Patent Registration Office shall reinstate the rights of the applicant with respect to the international application.

(4) Where the Patent Registration Office is not satisfied that the failure by the applicant to comply with the requirements of subsection 78O(1) was unintentional, the Patent Registration Office shall notify the applicant that it intends to refuse the application and give an opportunity to the applicant to make a written representation on the intended refusal within fourteen days from the date of the notice.

(5) After considering any representation made by the applicant under subsection (4), the Patent Registration Office shall decide whether to reinstate the international application or to refuse the application for reinstatement and notify the applicant of its decision.

COMMENTARY

A new section 78OA was inserted by the Patents (Amendment) Act 2006 (Act A1264) section 14 which came into force on 16 August 2006.

Section 78Q. Conversion of an international application into a national application

(1) Where—

(a) a foreign receiving office has—

(i) refused to accord a filing date to an international application;

(ii) declared that the international application is considered withdrawn; or

(iii) declared that the designation of Malaysia is considered withdrawn;

(b) the International Bureau has declared that an international application is considered withdrawn because it has not received a record copy of the international application within the time specified under the Treaty; and

(c) copies of any document in the international application have been sent to the Patent Registration Office, the applicant may request the Patent Registration Office to review the justification of the refusal or declaration under the Treaty.

(2) If the Patent Registration Office finds that the refusal or declaration referred to in subsection (1) was the result of an error or omission, it shall treat the international application as if such error or omission had not occurred and shall treat the application as a patent application in accordance with the provisions of this Act.

COMMENTARY

Part XIVA was inserted after Part XIV by the Patents (Amendment) Act 2003 (Act A1196) section 5 which came into force on 14 August 2003.

Sections 78H, 78I, 78J and 78P were deleted by the Patents (Amendment) Act 2006 (Act A1264) section 6(c) which came into force on 16 August 2006.

Section 78Q subsection (1) was amended by the Patents (Amendment) Act 2006 (Act A1264) section 16(a) which came into force on 16 August 2006.

Section 78Q subsection (3) was deleted by the Patents (Amendment) Act 2006 (Act A1264) section 16(b) which came into force on 16 August 2006.

PART XV

MISCELLANEOUS

Section 79. Power of Registrar to amend patent application

(1) The Registrar may, on a request made by an applicant for a patent in accordance with regulations made under the Act, amend the applicant's patent application, or any document submitted at the Patent Registration Office in connection with the application, for the purpose of correcting a clerical error or an obvious mistake.

(2) Every request under subsection (1) shall be accompanied by the prescribed fee.

COMMENTARY

The Registrar is empowered with the discretion to correct an application for a patent for any clerical errors or obvious mistakes. Such discretion is governed by regulation 46 of the Regulations.

Section 79A. Power of Registrar to amend patent

(1) The Registrar may, on a request made by the owner of a patent in accordance with regulations made under the Act, amend the description, the claim or claims, or the drawings, of the patent, or amend any other document associated with the patent, for the purpose of correcting a clerical error or an obvious mistake or for any other reason acceptable to the Registrar.

COMMENTARY

The power of the Registrar to amend a patent is governed by regulation 46A of the Regulations.

(2) The Registrar shall not make an amendment under this section if the amendment would have the effect of disclosing a matter which extends beyond that disclosed before the amendment or if the amendment would have the effect of extending the protection conferred at the time of grant of the patent.

COMMENTARY

Such amendments may not go beyond that disclosed prior to the amendments. Neither may the amendment extend the protection of the granted patent.

(3) The Registrar shall not make an amendment under this section if there are pending before any court proceedings in which the validity of the patent may be put in issue.

COMMENTARY

Such amendments to the patent will not be allowed if there are invalidation proceedings in the court.

(4) Every request under subsection (1) shall be accompanied by the prescribed fee.

COMMENTARY

The above is governed by regulation 46A of the Regulations.

(5) Notwithstanding subsection (4), no fee shall be payable by the owner of a patent in respect of a request to correct a mistake or an error in any document issued by the Patent Registration Office unless such mistake or error is caused or contributed to by such owner.

COMMENTARY

Fees need not be paid if the error or mistake was due to the Patent Registration Office. However, if the error or mistake is due to the owner of the patent, fees must be paid.

Section 80. Other powers of Registrar

(1) The Registrar may, for the purpose of the Act —

- (a) summon witnesses;
- (b) receive evidence on oath;
- (c) require the production of any document or article; and
- (d) award costs as against a party to proceedings before him.

(2) Any person who, without any lawful excuse, fails to comply with any summons, order, or direction made by the Registrar under paragraphs (a), (b), and (c) of subsection (1) commits an offense and is liable on conviction to a fine not exceeding R2,000, or to imprisonment for a term not exceeding six months, or to both.

(3) Costs awarded by the Registrar may in default of payment be recovered in a court of competent jurisdiction as a debt due by the person against whom the costs were accorded to the person in whose favor they were accorded.

COMMENTARY

Section 80 provides for the general powers of the Registrar.

Section 81. Exercise of discretionary power

Where any discretionary power is given to the Registrar by the Act or any regulations made thereunder, he shall not exercise the power on any person who may be adversely affected by his decision without giving to the person an opportunity of being heard.

COMMENTARY

Section 81 is governed by regulation 47 of the Regulations.

Section 82. Extension of time

Subject to subsection (1A) of section 27, subsection (8) of section 29A, and subsection (4) of section 30, where, by the Act or any regulations made thereunder, a time is specified within which an act or thing is to be done, the Registrar may, unless otherwise expressly directed by the court, extend the time either before or after its expiration on payment of the prescribed fee.

COMMENTARY

Section 82 is governed by regulation 53 of the Regulations.

Section 83. Extension of time by reason of error in Patent Registration Office

(1) Where by reason of —

- (a) circumstance beyond the control of the person concerned; or
- (b) an error or action on the part of the Patent Registration Office,

an act in relation to an application for a patent or in proceedings under the Act, not being proceedings in a court, required to be done within a certain time has not been so done, the Registrar may extend the time for doing the act.

(2) The time required for doing an act may be extended under this section although that time has expired.

COMMENTARY

In cases where an act is to be done or documents are to be provided and there are circumstances beyond the control of the person affected or an error on the part of the Patent Registration Office, the Registrar has the power to grant an extension of time, even though the time for doing so has lapsed.

Section 83A. Certificate by the Registrar

The Registrar may certify, by writing under his hand that an entry, matter, or thing required by or under the Act to be made or done, or not to be made or done, has or has not been made or done, as the case may be, and such certificate shall be *prima facie* evidence of the truth of the facts stated therein and shall be admissible in evidence in all courts.

COMMENTARY

In any proceedings before the court, the Certificate will, on the face of it, be evidence that a patent has been granted by the Registrar of Patents.

Section 84. Rights of government

(1) Notwithstanding anything contained in this Act—

(a) where there is national emergency or where the public interest, in particular, national security, nutrition, health or the development of other vital sectors of the national economy as determined by the Government, so requires; or

(b) where a judicial or relevant authority has determined that the manner of exploitation by the owner of the patent or his licensee is anti-competitive,

the Minister may decide that, even without the agreement of the owner of the patent, a Government agency or a third person designated by the Minister may exploit a patented invention.

(2) The owner of the patent shall be notified of the decision of the Minister as soon as is reasonably practicable.

(3) The exploitation of the patented invention shall be limited to the purpose for which it was authorised and shall be subject to the payment to the owner of the patent of an adequate remuneration for such exploitation, taking into account—

(a) the economic value of the Minister's authorisation as determined in the decision; and

(b) where a decision has been taken under paragraph (b) of subsection (1), the need to correct anti-competitive practices.

(4) The Minister shall make his decision under subsection (3) after hearing the owner of the patent and any other interested person if they wish to be heard.

(5) The exploitation of a patented invention in the field of semiconductor technology shall only be authorised either—

(a) for public non-commercial use; or

(b) where a judicial or relevant authority has determined that the manner of exploitation of the patented invention, by the owner of the patent or his licensee, is anti-competitive and if the Minister is satisfied that the authorisation would remedy such anti-competitive practice.

(6) The authorisation shall not exclude—

(a) the continued exercise by the owner of the patent of his rights under subsection (1) of section 36; or

(b) the issuance of compulsory licences under Part X.

(7) Where a third person has been designated by the Minister, the authorisation may only be transferred with the goodwill or business of that person or with that part of the goodwill or business in which the patented invention is being exploited.

(8) The exploitation of the invention by the Government agency or the third person designated by the Minister shall be predominantly for the supply of the market in Malaysia.

(9) Upon the request of—

(a) the owner of the patent; or

(b) the Government agency or the third person authorised to

exploit the patented invention, the Minister may, after hearing the parties, if either or both wish to be heard, vary the terms of the decision authorising the exploitation of the patented invention to the extent that changed circumstances justify such variation.

(10) Upon the request of the owner of the patent, the Minister shall terminate the authorisation if he is satisfied, after hearing the parties, if either or both wish to be heard, that the circumstances mentioned in subsection (1) which led to his decision have ceased to exist and are unlikely to recur or that the Government agency or the third person designated by him has failed to comply with the terms of the decision.

(11) Notwithstanding subsection (10), the Minister shall not terminate the authorisation if he is satisfied that the need for adequate protection of the legitimate interests of the Government agency or the third person designated by him justifies the maintenance of the decision.

(12) The owner of a patent, a Government agency or the third person authorised to exploit a patented invention may appeal to the Court against the decision of the Minister under this section.

(13) In this section “Government agency” means the Federal Government or the Government of a State and includes a Ministry or Department of that Government.

COMMENTARY

Section 84 provides the government of Malaysia with immunity from threats or proceedings for patent infringement. Section 84 has been extensively amended by the Patents (Amendment) Act 2000. The rights of government in exploiting a patent without the agreement of the owner are now limited to situation of national emergencies or where public interest such exploitation. Exploitation of a patent also may be authorized by the Minister if a judicial or relevant authority has determined that the manner in which the owner of the patent or his licensee exploits the patent is anti-competitive. The owner of the patent must be given a right to be heard and must be notified of the exploitation of this patent as soon as is reasonably practical. Furthermore, he must be paid adequate remuneration. It is the author’s view that the amendments to section 84 seek to restrict the rights of the compulsory license beneficiary and government rather than expanding them.

Section 85. Refusal to grant patent by the Registrar

The Registrar, in the exercise of his powers, shall have the right to refuse to grant a patent for products or processes scheduled under regulations made by the Minister under the Act where it appears to the Registrar that the granting of such a patent would be prejudicial to the interest or security of the nation.

COMMENTARY

Section 85 must be read in line with section 23A and section 30A of the Patents Act 1983.

Section 86. Patent agents

(1) There shall be kept at the Patent Registration Office a Register of Patent Agents.

(2) No person shall carry on business, practice, act, describe himself, hold himself out, or permit himself to be described or held out, as a patent agent unless he is registered in the Register of Patents Agents.

(3) The registration of a patent agent mentioned in subsection (2) shall be in accordance with the regulations as may be prescribed by the Minister under the Act.

(4) The appointment or change of a patent agent shall not be effective against any third person unless it is registered in the Register of Patents Agents.

(5) A person who has neither his domicile nor residence in Malaysia may not proceed before the Patent Registration Office under the provisions of the Act in respect of this patent except through a patent agent.

COMMENTARY

The rules regarding the appointment of patent agents are governed by regulations 45A-45F of the Regulations.

Section 87. Regulations

(1) Subject to the provisions of the Act, the Minister may make regulations for the purpose of carrying into effect the provisions of the Act.

(2) In particular and without prejudice to the generality of subsection (1), such regulations may provide for all or any of the following:

(a) to regulate the procedure to be followed in connection with any proceeding or other matter before the Registrar or the Patent Registration Office under the Act including the service of documents;

(b) to classify goods including methods and processes for the purpose of registration of patents;

(c) to make or require duplication of patents or other documents;

(d) to secure and regulate the publishing, selling, or distributing, in such manner as the Minister may think fit, of copies of patents and other documents;

(e) to prescribe the fees payable for applications for patents and other fees payable for other matters prescribed under the Act;

(f) to prescribe forms, books, registers, documents, and other matters to be used under the Act;

(g) to regulate generally on matters pertaining to the business of patents carried on in the Patent Registration Office whether or not specially prescribed under the Act.

Section 88. Appeal

(1) Any person aggrieved by any decision or order of the Registrar or the Corporation may appeal to the court.

(2) The same rules of procedure on appeal shall apply to appeals made under subsection (1) as to appeals to the High Court from a decision of a subordinate Court in civil matters.

COMMENTARY

The word “Board” was substituted for the word “Corporation” by the Patents (Amendment) Act 2002 (Act A1137) section 11 which came into force on 3 March 2003.

89. Repeal and saving provisions

The Registration of United Kingdom Patents Act 1951, the Patents Ordinance of Sarawak, the Registration of United Kingdom Patents Ordinance of Sabah, and the Patents (Rights of Government) Act 1967 are repealed:

Provided that:

- (a) any subsidiary legislation made under the repealed laws shall insofar as such subsidiary legislation is not inconsistent with the provisions of the Act continue in force and have effect as if it had been made under the Act and may be repealed, extended, varied, or amended accordingly;
- (b) any appointment made under the repealed laws or subsidiary legislation made thereunder shall continue in force and have effect as if it had been made under the Act unless the Minister otherwise directs;
- (c) any certificate or grant issued or made, in respect of a patent, under the repealed laws and in force immediately prior to the coming into force of the Act shall remain in force —
 - (i) so long as the original patent remains in force in the United Kingdom; or
 - (ii) until the expiration of 20 years from the date of application, whichever is the earlier.

Section 90. Transitional

(1) Where an application has been made under an Act or Ordinance repealed under section 89, the Registrar may issue a certificate or make a grant on such application as if the Act or Ordinance had not been repealed, and such certificate or grant shall remain in force —

- (a) so long as the original patent remains in force in the United Kingdom; or
- (b) until the expiration of 20 years from the date of application, whichever is the earlier.

(2) Where a patent has been granted under the United Kingdom Patents Act 1977 not earlier than 24 months before the coming into force of the Act, the owner of the patent may, within a period of 12 months from the coming into force of the Act, make an application for a certificate or a grant, and the Registrar may issue a certificate or make a grant on such application as if the Act or Ordinance repealed under section 89 had not been repealed, and such certificate or grant shall remain in force —

(a) so long as the original patent remains in force in the United Kingdom; or

(b) until the expiration of 20 years from the date of the application,

whichever is the earlier.

(3) (Deleted)

(4) Where, prior to the coming into force of the Act, an application for a patent has been made under the United Kingdom Patent Act 1977 or an application designating the United Kingdom has been filed at the European Patent Office, the applicant may, within a period of 12 months from the coming into force of the Act, make an application for the Grant of a patent under the Act, and such application shall be accorded the filing date and the right of priority which have been accorded to it in the United Kingdom.

§ 82:9 Trade Marks Act 1976 (Act Number 175)

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COMMENTARY

The Trade Marks Act came into force on 1 September 1983, together with the Trade Marks Regulations 1983, repealing the following territorial legislation:

1. The Trade Marks Ordinance 1950 of Malaya;
2. The Trade Marks Ordinance 1949 of Sabah; and
3. The Trade Marks Ordinance 1957 of Sarawak.

The Trade Marks Act was first amended in 1994 by the Trade Marks (Amendment) Act 1994, which came into force on 1 December 1997, together with the Trade Marks Regulations 1997 (repealing the Trade Marks Regulations 1993). The amendments primarily concern services, as the Trade Marks Act 1976 did not cover service marks.

The Trade Marks Act has been amended by the Trade Marks (Amendment) Act 2000, which came into force on 1 August 2001. The latest amendments bring Malaysia into line with its international obligations. Among the salient points of the latest amendments are, *inter alia*, the abolishment of the two separate parts of the Register, the protection of geographical indications, and the introduction of border measures which seek to prohibit counterfeit goods from being imported into Malaysia and provision of express protection in regards well-known marks.

Insofar as trade marks are concerned, Malaysia is a signatory of the following international conventions:

1. The Paris Convention (as revised by the International Convention for the Protection of Industrial Property) on 1 January 1989; and
2. The Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) by virtue of being a member of the World Trade Organization (WTO).

Part I of the Trade Marks Act deals with preliminary issues, e.g., the interpretation of specified words, terms, and phrases and the extent of the application of the Trade Marks Act. Part II concerns administrative issues, e.g., the setting up of a Central Registry of Trade Marks. Part III deals with the Register of Trade Marks. Part IV contains the fundamental provisions on registrability of trade marks.

Part V details the application for registration process. Part VI contains the provisions on registration, the effects thereof, and protection accorded on registration. Part VII provides for the renewal of registration. Part VIII describes the avenues and redress available for correction and rectification of the register. Part IX sets forth the position in regards to registered users and their rights. Part X deals with assignment and transmission of trade marks. Part XI describes the special rules on certification trade marks. Part XII lays down the special rules on defensive trade marks.

Part XIII is a general section relating to powers a court and the Registrar of Trade Marks is conferred in legal proceedings, and also the issues of costs and admissibility of evidence. Part XIV talks about the International Conventions to which Malaysia is a party. Part XIVA contains the provisions pertaining to border controls of counterfeit goods. Part XV is the penultimate section which contains a number of miscellaneous provisions not covered elsewhere in the Trade Marks Act.

The Trade Marks Act is a relatively comprehensive piece of legislation dealing with the registration and protection of trade marks and other markings on the merchandise. Under the Trade Marks Act, registration of trade marks is not compulsory. Unregistered trade mark rights are governed by Common Law. It is to be noted that the Trade Marks Act does not cover criminal offenses relating to trade marks exhaustively.

PART I PRELIMINARY

Section 1. Short title, commencement, and application

- (1) This Act may be cited as the Trade Marks Act 1976 and shall come into force on such date as the Minister may, by notification in the *Gazette*, appoint.
- (2) This Act shall apply throughout Malaysia.

COMMENTARY

The Trade Marks Act (Act 175) came into force on 1 September 1983 *vide* PU(B) 407/1983.

To date, the Trade Marks Act has been amended three times, *vide* the Trade Marks (Amendment) Act 1994 (Act A881), w.e.f. 1 December 1997, the Trade Marks (Amendment) Act 2000 (Act A1078), w.e.f. 1 August 2001, and the Trade Marks (Amendment) Act 2002 (Act A1138) w.e.f. 3 March 2003.

Section 2. Extent of application

- (1) This Act shall apply to applications for trade marks made after the commencement of the Trade Marks Act and to the Registrations of trade marks made on such applications.
- (2) Subject to subsection (4) of section 6, the Trade Marks Act

also shall apply to trade marks registered under the respective repealed Ordinances.

(3) Notwithstanding their repeal, the repealed Ordinances shall apply to applications for trade marks made before the commencement of the Trade Marks Act.

COMMENTARY

Historically, Malaysia under British rule comprised of the territories of Malaya, Sabah, and Sarawak. Each of these territories were governed independently and had their own separate legislation. Prior to the enforcement of the Trade Marks Act, the laws pertaining to trade marks were embodied in the Trade Marks Ordinance 1950 of Malaya, the Trade Marks Ordinance 1949 of Sabah, and the Trade Marks Ordinance 1957 of Sarawak, respectively. As far as the system of trade mark registration was concerned, separate Registers were maintained in each of the territories.

The Trade Marks Act consolidated the territorial legislation. It repealed the territorial Ordinances and unified the system of trade mark registration throughout Malaysia. However, trade mark applications filed before the commencement of the Trade Marks Act will still be governed by the repealed Ordinances.

The Trade Marks Act is modeled after the United Kingdom Trade Marks Act 1938, and many of the sections of the Trade Marks Act are *in pari materia* with the corresponding sections in the United Kingdom Trade Marks Act 1938.

Section 3. Interpretation

(1) In the Trade Marks Act, unless the context otherwise requires—

- “Appointed date” has the same meaning as is assigned to that expression in the Intellectual Property Corporation of Malaysia Act 2002;
- “Assignment” means assignment by act of the parties concerned;
- “Assistant Registrar” means the person appointed or deemed to have been appointed to be an Assistant Registrar under subsection (2) or (3) of section 4;
- “Component regions of Malaysia” means the regions of West Malaysia, Sabah, and Sarawak;
- “Convention country” means a country which is a party to any multilateral treaty relating to trade marks to which Malaysia also is a party;
- “Corporation” means the Intellectual Property Corporation of Malaysia established under the Intellectual Property Corporation of Malaysia Act 2002;
- “Court” means the High Court;
- “Deputy Registrar” means the person appointed or deemed to have been appointed to be a Deputy Registrar under subsection 4(2) or (3);
- “Geographical indication” means an indication which identifies any goods as originating in a country or territory or a region

or locality in that country or territory, where a given quality, reputation, or other characteristic of the goods is essentially attributable to their geographical origin;

– “In the course of trade”, in relation to the provision of services, means in the course of business;

– “Limitations” means limitations of the right to the exclusive use of a trade mark given by the registration of the trade mark including limitations of that right as to —

(a) mode of use;

(b) use within a territorial area within Malaysia; or

(c) use in relation to goods to be exported to a market outside Malaysia or use in relation to services to be provided in a place outside Malaysia;

– “Mark” includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, or any combination thereof;

– “Minister” means the Minister for the time being charged with the responsibility for intellectual property;

– “Paris Convention” means the Paris Convention for the Protection of Industrial Property of 20 March 1883, as revised at Stockholm on 14 July 1967;

– “Permitted use” in relation to a registered trade mark means the use of the trade mark by a registered user thereof in relation to goods or services with which he is connected in the course of trade and in respect of which the trade mark remains registered and he is registered as a registered user, being use which complies with any conditions or restrictions to which his registration is subject;

– “Prescribed” means, in relation to proceedings before the court or preliminary thereto or connected therewith, prescribed by rules of court made by the Rules Committee constituted under the courts of Judicature Act 1964 and, in other cases, prescribed by the Trade Marks Act or any regulations made thereunder;

– “Prescribed foreign country” means a country declared by the Minister, by order published in the *Gazette*, as having made arrangements with Malaysia for the reciprocal protection of trade marks;

– “Previous registers” means the registers of trade marks kept under the repealed Ordinances;

– “Register” means the Register of Trade Marks kept under this Act;

– “Registered proprietor” in relation to a trade mark means the person for the time being entered in the Register as proprietor of the trade marks;

– “Registered trade mark” means a trade mark which is actually on the Register;

- “Registered user” means a person who is registered as such under Part IX;
- “Registrable trade mark” means a trade mark which is capable of registration under the provisions of this Act;
- “Registrar” means the Registrar of Trade Marks designated in subsection 4(1)
- “Repealed Ordinances” means the Trade Marks Ordinance 1950, the Trade Marks Ordinance of Sabah, and the Trade Marks Ordinance of Sarawak;
- “Specification” means the designation of goods or services in respect of which a trade mark or a registered user of a trade mark is registered or proposed to be registered; and
- “Trade mark” means, except in relation to Part XI, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services and a person having the right either as proprietor or as registered user to use the mark whether with or without an indication of the identity of that person, and means, in relation to Part XI, a mark registrable or registered under the said Part XI;
- “Transmission” means transmission by operation of law, devolution on the personal representatives of a deceased person, and any other mode of transfer not being assignment;
- “TRIPS Agreement” means the Agreement on Trade-Related Aspects of Intellectual Property Rights 1994, which constitutes Annex IC to the Agreement Establishing the World Trade Organization;
- “Word” includes an abbreviation of a word.

(2) In this Act —

- (a) references to the use of a mark shall be construed as references to the use of a printed or other visual representation of the mark;
- (b) references to the use of a mark in relation to goods shall be construed as references to the use thereof upon, or in physical or other relation to, goods; and
- (c) references to the use of a mark in relation to services shall be construed as references to the use thereof as a statement or as part of a statement about the availability or performance of services.

COMMENTARY

The principal aim of the Trade Marks (Amendment) Act 1994 is to codify service mark rights. This was achieved through enlarging the definition of trade marks so as to include service marks for the purpose of registration. The definitions of “mark”, “limitations”, and “trade mark” were amended, and the definition of “in the course of trade” and “specification” inserted to give effect to this purpose.

Hence, owners of service marks can now avail themselves to the system of registration and its antecedent benefits and need not rely solely on Common Law rights to combat unauthorized use of their service marks in respect of related services.

The Trade Marks (Amendment) Act 2000 inserted the definitions of “geographical indications”, “Paris Convention”, and “TRIPS Agreement”.

PART II

ADMINISTRATION

Section 4. Registrar, Deputy Registrars, and Assistant Registrar

(1) The Director General of the Corporation shall be the Registrar of Trade Marks.

(2) The Corporation may appoint, on such terms and conditions as it may determine, from amongst persons in the employment of the Corporation, such number of Deputy Registrars of Trade Marks, Assistant Registrars of Trade Marks and other officers as may be necessary for the proper administration of this Act, and may revoke the appointment of any person so appointed or deemed to have been so appointed under subsection (3).

(3) The persons holding office as Deputy Registrars, Assistant Registrars and other officers under this Act before the appointed date who were given an option by the Government of Malaysia to serve as employees of the Corporation and have so opted shall on the appointed date be deemed to have been appointed as Deputy Registrars, Assistant Registrars and such other officers under subsection (2).

(4) Subject to the general direction and control of the Registrar and to such conditions or restrictions as may be imposed by the Registrar, a Deputy Registrar or an Assistant Registrar may exercise any function of the Registrar under this Act, and anything by this Act appointed or authorized or required to be done or signed by the Registrar may be done or signed by any Deputy Registrar or Assistant Registrar and the act or signature of a Deputy Registrar or an Assistant Registrar shall be as valid and effectual as if done or signed by the Registrar.

(5) The Registrar shall have a seal of such device as may be approved by the Corporation and the impressions of such seal shall be judicially noticed and admitted in evidence.

COMMENTARY

The “Minister” here refers to the Minister for the time being responsible for matters in connection with the administration and regulation of domestic trade and consumer affairs. The Minister in charge is the Minister of Domestic Trade, Co-Operatives and Consumer Affairs.

Section 4A. Protection of Officers

No action or prosecution shall be brought, instituted, or maintained in any court against —

- (a) the Registrar of Trade Marks

(b) a Deputy Registrar of Trade Marks; or

(c) an Assistant Registrar of Trade Marks,

for any act or omission done in good faith in the performance of his functions and the exercise of his powers under this Act.

Section 5. Central and regional trade mark offices

(1) For the purposes of the Trade Marks Act, there shall be established a Central Trade Marks Office which shall be located at Kuala Lumpur.

(2) In each of the states of Sabah and Sarawak, there shall be established one regional trade marks office.

(2A) In addition to the regional trade marks office established in the states of Sabah and Sarawak, there may be established such number of trade marks offices as may be necessary for the purposes of this Act.

(3) A document required or permitted by the Trade Marks Act to be submitted at the central Trade Marks Office may be submitted at any trade marks office, and reference in this Act to the submission at the Central Trade Marks Office includes reference to the submission at a trade marks office.

COMMENTARY

To date, no new trade mark offices have been established.

PART III

THE REGISTER OF TRADE MARKS

Section 6. The Register

(1) There shall be kept and maintained at the Central Trade Marks Office a Register of Trade Marks which shall contain —

(a) all registered trade marks with the names, addresses, and descriptions of their proprietors, notifications of assignments and transmission, the names, addresses, and descriptions of all registered users, disclaimers, conditions and limitations; and

(b) such other matters relating to the trade marks as the Minister may from time to time prescribe.

(2) *Deleted*

(3) The previous registers of trade marks kept under the repealed Ordinances shall be incorporated with and form part of the Register in accordance with the entries in the previous registers immediately before the Trade Marks Act comes into force.

(4) The incorporation of the previous registers into the Register shall have the following effect:

(a) where a trade mark has been registered and entered in all the previous registers by a proprietor for all three component regions of Malaysia, such a trade mark shall in its incorporation into the Register be deemed to be a registered trade mark in the name of such proprietor under this Act;

(b) where a trade mark has been registered and entered in any of the previous registers by a proprietor for any one or two of the component regions of Malaysia, such a trade mark shall in its incorporation into the Register be deemed to be a registered trade mark in the name of such proprietor under the Trade Marks Act if, on the date on which the Trade Marks Act comes into force —

(i) no identical trade mark or trade mark so nearly resembling the first-mentioned trade mark in respect of the same goods or same description of goods as is likely to deceive or cause confusion has been registered and entered in the remaining previous register or registers prior to the date of the coming into force of the Trade Marks Act by a different proprietor or proprietors for any of the remaining component regions of Malaysia; and

(ii) no application for the registration of an identical trade mark or trade mark so nearly resembling the first-mentioned trade mark in respect of the same goods or same description of goods as is likely to deceive or cause confusion has been made prior to the date of the coming into force of this Act by another person for any of the remaining component regions of Malaysia or, where it has been made, it is subsequently refused, abandoned, or successfully opposed;

(c) where a trade mark has been registered and entered in any of the previous registers by a proprietor for any one or two of the component regions of Malaysia and an identical trade mark or trade mark so nearly resembling the first-mentioned trade mark in respect of the same goods or same description of goods as is likely to deceive or cause confusion has been registered and entered in any of the previous registers by a different proprietor or proprietors for all or any one of the remaining component regions of Malaysia, both the first-mentioned trade mark and the identical trade mark or trade mark so nearly resembling the first-mentioned trade mark in their incorporation into the Register shall be deemed to be registered trade marks in the names of the respective proprietors under this Act subject to concurrent use of the trade marks by their respective proprietors in accordance with subsection (1) of section 20;

(d) where a trade mark has been registered and entered in any of the previous registers by a proprietor for any one or two of the component regions of Malaysia and only an application or applications for the registration of an identical trade mark or trade mark so nearly resembling the first-mentioned trade mark in respect of the same goods or same description of goods as is likely to deceive or cause confusion has been made prior to the date of the coming into force of this Act by another person for any of the remaining component regions of Malaysia, the first-mentioned trade mark in its incorporation into the Register shall be effective only in respect of the component region or regions of Malaysia in

which it was originally registered unless the application or applications has or have been subsequently refused, abandoned, or successfully opposed, in which case the first-mentioned trade mark shall be deemed to be a registered trade mark in the name of such proprietor under this Act.

(5) Notwithstanding section 30, the date of the entry of a trade mark in any of the previous registers incorporated and forming part of the Register shall be deemed to be the date of the original registration of the trade mark.

COMMENTARY

The above requires that all the records should be kept in a book called "Register of Trade Marks". This Register is to be kept in the Central Registry of Trade Marks and will record all pertinent details pertaining to trade marks which are registered.

The Register of Trade Marks was first divided into two parts (Part A and Part B) under the repealed Ordinances. This was initially maintained and all existing registration under the repealed Ordinances were incorporated in Part A and Part B of the new Register under the Trade Marks Act in accordance with their previous status.

However, the latest amendment abolishes these two parts of the Register. Act A1078 deletes all mention of Part A and Part B. Subsection (2) was therefore deleted to provide for a Register which is not divided into parts.

Subsection (4) is to be read in conjunction with section 2(2). All subsisting trade mark registrations registered pursuant to the repealed Ordinance shall be deemed valid and extend throughout Malaysia. The exercise of consolidating the three previous territorial registers does not seek to remove any rights granted under the repealed Ordinances, hence the detailed explanation on the effects of incorporation should a particular scenario arise.

A practical advantage of the consolidation of the three previous territorial registers is the need to only maintain and renew one territorial registration for one mark, all other considerations being equal. This is clearly more effective, but the selection of which territorial trade mark registration to maintain must be done with care. It also is to be noted that, in the early days after the coming into force of the Trade Marks Act, the Registry of Trade Marks allowed consolidated renewals of territorial registrations. However, this practice ceased in the mid 1980s.

Section 7. Notice of trust

Notice of a trust, express, implied, or constructive, shall not be entered in the Register or be received by the Registrar.

COMMENTARY

Non-inclusion of notice of a trust does not mean that a person cannot register as trustee. It simply means that the terms of the trust cannot be entered in the Register.

Section 8. Inspection of the Register

(1) The Register shall be open to the inspection of the public at such times and in accordance with such conditions as may be prescribed.

(2) Certified copies or extracts of any entry in the Register sealed with the seal of the Registrar shall be given to any person requiring the same on payment of the prescribed fees.

(3) Certified copies of the Register shall be deposited in any trade marks office for the purpose of facilitating any search to be made by the public at such times as the Minister may by regulations prescribe, and no copy or extract of any entry in such copies shall be made or given to any person.

COMMENTARY

Trade mark availability searches may be conducted at the Central Registry of Trade Marks.

The public search facility allows manual and online searches to be conducted on both registrations and pending applications.

Section 9. False entries in the Register

Every person who —

- (a) makes or causes to be made a false entry in the Register;
- (b) makes or causes to be made a false entry in any certified copy of the Register deposited in a trade marks office;
- (c) makes or causes to be made a false document purporting to be a copy of an entry in the Register; or
- (d) produces or tenders or causes to be produced or tendered in evidence any such document knowing such document or any entry therein to be false;

is guilty of an offense and is liable, on conviction, to a fine not exceeding 5,000 ringgit, or to a term of imprisonment not exceeding five years, or to both.

COMMENTARY

It is a criminal offense if one procures the falsification of entries in the Register of Trade Marks or related documents thereto.

PART IV

REGISTRABLE TRADE MARKS

Section 10. Registrable trade marks

(1) In order for a trade mark (other than a certification trade mark) to be registrable, it shall contain or consist of at least one of the following particulars:

- (a) the name of an individual, company, or firm represented in a special or particular manner;
- (b) the signature of the applicant for registration or of some predecessor in his business;
- (c) an invented word or words;
- (d) a word having no direct reference to the character or quality of the goods or services not being, according to its ordinary meaning, a geographical name or surname; or
- (e) any other distinctive mark.

(2) A name, signature, or word which is not described in paragraph (a), (b), (c), or (d) of subsection (1) is not registrable unless it is by evidence shown to be distinctive.

(2A) For the purposes of this section, “distinctive”, in relation to the trade mark registered or proposed to be registered in respect of goods or services, means the trade mark must be capable of distinguishing goods or services with which the proprietor of the trade mark is or may be connected in the course of trade from goods or services in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered, subject to conditions, amendments, modifications, or limitations, in relation to use within the extent of the registration.

(2B) In determining whether a trade mark is capable of distinguishing as aforesaid, regard may be had to the extent to which —

(a) the trade mark is inherently capable of distinguishing as aforesaid; and

(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

(3) A trade mark may be registered in the Register in respect of any goods or services.

COMMENTARY

Subsection (1) is inclusive, and the essential particulars stipulated in clauses (a)-(e) of subsection (1) are to be read separately and distinct of one another.

Although the particulars are to be considered independently, in each case, the mark proposed to be registered must not only fall within the terms of at least one paragraph, but also must be distinctive.

There are two types of distinctiveness, namely, inherent distinctiveness and factual distinctiveness.

Inherent distinctiveness refers to the inherent capacity or fitness of a trade mark for the purpose of distinguishing one trader’s goods from those of the others. The presence of some striking, unique, or unusual features or elements in the trade mark may be sufficient to make it distinctive.

Factual distinctiveness briefly refers to distinctiveness acquired by user. It is usually proven by the submission of a declaration on oath by the applicant of the trade mark concerned, wherein evidence of yearly sales and promotional expenses are adduced supported by documentary evidence. It must be proven that the purchasing public identifies the mark with the relevant goods as to the proprietor of the mark.

. . .

Section 11. (Deleted)

Section 12. Use by proposed registered user to be considered for the purpose of determining distinctiveness

(1) Where an application for registration of a trade mark has been made by a person, and before the date of the application the trade mark had been used by a person other than the applicant under the control of and with the consent and authority of the applicant, and where an application is made by the applicant and that other person for the registration of that other person as a registered user of the trade mark immediately after the registration of the trade mark and the Registrar is satisfied that the other person is

entitled to be registered as a registered user of the trade mark, the Registrar may, for the purpose of determining whether the trade mark is distinctive of or capable of distinguishing the goods or services of the applicant, treat use of the trade mark by that other person as equivalent to use of the trade mark by the applicant and may make an order that the trade mark is so distinctive or capable of distinguishing.

(2) An order of the Registrar under subsection (1) is subject to appeal to the court.

(3) Where an order is made under subsection (1), the registration of the trade mark shall cease to have effect if, at the expiration of the prescribed period, or such further period not exceeding six months as the Registrar may allow that other person has not become registered as the registered user of the trade mark.

COMMENTARY

Section 12(1) is substituted by Act A881. The Registrar, in determining whether a mark is distinctive or is capable of being distinctive, may treat use of a mark by a registered user prior to filing an application as use by the Applicant and may make an order as such.

Section 13. Color of a trade mark

(1) A trade mark may be limited in whole or in part to one or more specified colors and, in any such case, the fact that the trade marks are so limited shall be taken into consideration for the purpose of determining whether the trade mark is distinctive.

(2) Where a trade mark is registered without limitations as to color, it shall be deemed to be registered for all colors.

COMMENTARY

Any particular colour by itself cannot be a trade mark as a trade mark should first be a mark.

Color claims may be made by an applicant of a trade mark application, either wholly or partly, and the registration will be limited to the colors claimed.

If a trade mark is registered in black and white, without limitation as to colors, it shall be deemed to be registered for all colors.

Section 14. Prohibition on registration

(1) A mark or part of a mark shall not be registered as a trade mark —

(a) if the use of which is likely to deceive or cause confusion to the public or would be contrary to law;

(b) if it contains or comprises any scandalous or offensive matter or would otherwise not be entitled to protection by any court of law;

(c) if it contains a matter which in the opinion of the Registrar is or might be prejudicial to the interest or security of the nation.

(d) if it is identical with or so nearly resembles a mark which is well-known in Malaysia for the same goods or services of another proprietor;

(e) if it is well-known and registered in Malaysia for goods or services not the same as to those in respect of which registration is applied for:

Provided that the use of the mark in relation to those goods or services would indicate a connection between those goods or services and the proprietor of the well-known mark, and the interests of the proprietor of the well-known mark are likely to be damaged by such use;

(f) if it contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the mark for such goods in Malaysia is of such a nature as to mislead the public as to the true place of origin of the goods; or

(g) if it is a mark for wines which contains or consists of a geographical indication identifying wines, or is a mark for spirits which contains or consists of a geographical indication identifying spirits, not originating in the place indicated by the geographical indication in question.

(2) Article 6 *bis* of the Paris Convention and article 16 of the TRIPS Agreement shall apply for the purpose of determining whether a trade mark is a well-known trade mark.

Section 14A. Where registration shall not be refused

(1) A trade mark shall not be refused registration by virtue of paragraphs (f) and (g) of section 14 if the application for its registration had been made in good faith, or if it had been used continuously in good faith in the course of trade by the applicant for its registration or his predecessor in title, either —

(a) before the commencement of the Geographical Indications Act 2000; or

(b) before the geographical indication in question is protected in its country of origin.

(2) A trade mark shall not be refused registration by virtue of paragraphs (f) and (g) of section 14 if the geographical indication in question —

(a) has ceased to be protected; or

(b) has fallen into disuse,

in its country of origin.

COMMENTARY

Section 14 is mandatory in nature and it contemplates some disentanglement inherent in the mark itself.

Whether a mark falls under this section is largely a question of fact, and in considering the applicability of this section, the competing principles of trade mark law of consumer protection and the proprietary interests of owners are at play.

The degree to which the law will allow deceptively similar marks to co-exist has been the most obscure area of trade mark practice. Below are examples of cases where confusion and deception may likely arise:

1. A mark's similarity to another registered or unregistered mark;

2. Descriptiveness, i.e., where a mark refers to a characteristic of the goods or services which it does not possess false suggestion of a particular geographic origin;
3. False suggestion of sponsorship or affiliation;
4. Deception representation as to trade origin of goods or services; and
5. Contrary to law.

No trade mark will be registered where use of which goes against the provision of any law other than the Trade Marks Act.

The test on scandalous matter is that the use of the mark is likely to offend either the right-thinking people generally, or some particular group within society.

Disentitled to protection extends to matters where intrinsically from its nature a court would not protect. Examples are as follows:

1. Marks which are seditious;
2. Marks which threaten the peace of mankind;
3. False statements that a mark is registered when it is not; and
4. Marks which are common to the trade.

Subsections (1d)-(g) and 14A were inserted by Act A1078. This section has been amended by expressly prohibiting the registration of three types of marks, these being:

1. Marks which are identical or so nearly resembling a well-known mark whether it is for the same goods or services provided the mark is well-known in Malaysia;
2. Marks which contain or consist of a geographical indication with respect to goods not originating from the territory indicated; and
3. Marks for wines or spirits which contain or consist of a geographical indication identifying wines or spirits not originating from the place indicated by the geographical indication in question.

Section 15. Where registration may be refused

The Registrar shall refuse to accept an application for the registration of a trade mark which contains or consists of any of the following marks or a mark so nearly resembling any of those marks as is likely to be taken for that mark:

(a) the word or words “Patent”, “Patented”, “By Royal Letters Patent”, “Registered Design”, and “Copyright” or a word or words to the like effect in any language whatsoever; or

(b) any mark which is specifically declared by the Minister in any regulations made under the Trade Marks Act to be a prohibited mark.

Section 16. Use of name of another person

Where a person makes an application to register a trade mark which consists of or includes the name or representation of another person, whether living or dead, the Registrar may require the applicant to furnish him with the consent of that person if living, or of the legal representative of that person if deceased, before permitting the name or representation to be used as a trade mark.

COMMENTARY

“Representation” includes a photograph or image of a person. This section protects people who are famous and are national figures or icons wherein their names, signatures, or photographs are usually adopted by traders.

Section 17. Registration for particular goods or services

(1) A trade mark may be registered in respect of any or all of the

goods comprised in a prescribed class of goods or in respect of any or all of the services comprised in a prescribed class of services.

(2) If any question arises as to the class in which goods or services are comprised, that question shall be decided by the Registrar, whose decision shall be final.

Section 18. Disclaimer

- (1) If a trade mark —
 - (a) contains any part —
 - (i) which is not the subject of a separate application by the proprietor for registration as a trade mark; or
 - (ii) which is not separately registered by the proprietor as a trade mark; or
 - (b) contains matter which is common to the trade or business or is not distinctive,

the Registrar or the court, in deciding whether the trade mark shall be entered or shall remain in the Register, may require as a condition of its being on the Register that the proprietor shall disclaim any right to the exclusive use of any such part or matter, to the exclusive use of which the Registrar or the court holds him not to be entitled or that the proprietor shall make such other disclaimer as the Registrar or the court may consider necessary for the purpose of defining his rights under the registration.

(2) No disclaimer on the Register shall affect any right of the proprietor of a trade mark except a right arising out of the registration of the trade mark in respect of which the disclaimer is made.

COMMENTARY

A disclaimer is a condition of registration. Once an element of a trade mark is disclaimed, the proprietor cannot prevent other traders from using or even registering the disclaimed parts unless the disclaimed element has been used or registered in the manner so represented in the trade mark.

The function of a disclaimer is to limit the rights of a proprietor under a trade mark registration to minimize and eliminate extravagant and unauthorized claims being made.

Section 19. Identical trade mark

- (1) No trade mark shall be registered in respect of any goods or description of goods —
 - (a) that is identical with a trade mark belonging to a different proprietor and entered in the Register in respect of the same goods or description of goods or in respect of services that are closely related to those goods; or
 - (b) that so nearly resembles such a trade mark as is likely to deceive or cause confusion.
- (2) No trade mark shall be registered in respect of any services or description of services —
 - (a) that is identical with a trade mark belonging to a different proprietor and entered in the Register in respect of the same ser-

vices or description of services or in respect of goods that are closely related to those services; or

(b) that so nearly resembles such a trade mark as is likely to deceive or cause confusion.

(3) Where separate applications are made by different persons to be registered as proprietors respectively of trade marks which are identical or so nearly resembling each other as are likely to deceive or cause confusion and —

(a) such applications are in respect of the same goods or description of goods; or

(b) at least one of such applications is in respect of goods and the other or others is or are in respect of services closely related to those goods,

the Registrar may refuse to register any of them until their rights have been determined by the court or have been settled by agreement in a manner approved by him or by the court.

(4) Where separate applications are made by different persons to be registered as proprietors respectively of trade marks which are identical or so nearly resembling each other as are likely to deceive or cause confusion and —

(a) such applications are in respect of the same services or description of services; or

(b) at least one of such applications is in respect of services and the other or others is or are in respect of goods closely related to those services,

the Registrar may refuse to register any of them until their rights have been determined by the court or have been settled by agreement in a manner approved by him or by the court.

COMMENTARY

Subsections (1)(a) and (2)(a) apply where and only where either some goods or services for which the existing mark is registered and some goods or services for which the applicant seeks to register are the same or of the same description. Two conditions are necessary to bring an application within the mischief of this section, namely:

- 1. The mark applied for should be identical to the existing registered mark; and**
- 2. The goods for which registration is sought should be either the same or of the same description as those of the already registered trade mark.**

In determining whether the goods are of the same description, the following tests are commonly taken into account, although it must be remembered that the decision is ultimately one of fact, relating to:

- 1. The nature and composition of the goods;**
- 2. The respective uses of the articles; and**
- 3. The trade channels through which the commodities respectively are bought and sold.**

In regard to subsections (3) and (4), sometimes, several similar applications are filed by different applicants seeking protection for similar goods and/or services. In such an instance, it is usually the case that the first in time is granted registration.

However, if the applications are all filed less than six months apart, the Registry normally will cross-cite all the applications against each other, and it is usually the case that none would achieve registration unless the applicants settle the matter among themselves or refer the dispute to the courts. The Registry has seldom exercised its discretion to refer a dispute to the courts.

Section 20. Concurrent use

(1) Notwithstanding subsection (1) of section 19, in the case of honest concurrent use or of the circumstances described in paragraph (c) of subsection (4) of section 6 or of other special circumstances which, in the opinion of the court or the Registrar, make it proper so to do, the court or the Registrar may permit the registration of more than one proprietor in respect of trade marks which are identical or so nearly resembling each other as are likely to deceive or cause confusion where the registration of the different proprietors —

(a) is in respect of the same goods or description of goods; or

(b) in the case of at least one proprietor, is in respect of goods and, in the case of the other or others, is in respect of services closely related to those goods,

subject to such conditions, amendments, modifications, or limitations, if any, as the court or the Registrar, as the case may be, may think right to impose.

(1A) Notwithstanding subsection (2) of section 19, in the case of honest concurrent use or of other special circumstances which, in the opinion of the court or the Registrar, make it proper so to do, the court or the Registrar may permit the registration of more than one proprietor in respect of trade marks which are identical or so nearly resembling each other as are likely to deceive or cause confusion where the registration of the different proprietors —

(a) is in respect of the same services or description of services;
or

(b) in the case of at least one proprietor, is in respect of services and, in the case of the other or others, is in respect of goods closely related to those services,

subject to such conditions, amendments, modifications, or limitations, if any, as the court or the Registrar, as the case may be, may think right to impose.

(2) The Registrar shall not refuse to register a trade mark which is identical to or so nearly resembling another trade mark in the Register if the applicant of the first-mentioned trade mark or his predecessor in business has continuously used that trade mark from a date before —

(a) the use of that other trade mark by the registered proprietor or his predecessor in business or by a registered user; or

(b) the registration of that other trade mark by the registered proprietor or his predecessor in business,
whichever is the earlier.

COMMENTARY

In deciding cases under this section, the twin but competing principles of public interest and rights of the applicants *inter se* are to be considered. In regard to honest concurrent use, the main criteria to be taken into account are:

1. The honesty of the use;
2. The extent of the use in duration, area, and volume, there being no minimum period;
3. The degree of confusion likely to arise;
4. Any instances of actual confusion;
5. The relative inconvenience to the respective parties; and
6. Any conditions or limitations to be applied.

Honest of use is a prerequisite to registration. Use can be honest notwithstanding that the mark was adopted with knowledge of the prior mark, provided there was no intention to derive advantage from that similarity.

Section 20 confers on the Registrar a discretion to accept the application for registration because of "other circumstances", even though the statutory requirements of honest concurrent use cannot be wholly satisfied. Factors that can be taken into account in favor of the competing applicant's claim for registration include:

1. The applicant's honesty in adopting a mark;
2. The extensive use that the applicant has made of its mark and the significant reputation that it has established in that mark;
3. The failure of the registered owner to use its mark in Malaysia;
4. The absence of any consumer confusion to date;
5. The registered owner's failure to object to the applicant's use of the mark to date; and
6. The hardship and inconvenience that the applicant would suffer if registration were refused.

Section 21. Jointly owned trade mark

(1) Where two or more persons are interested in a trade mark and none of them is entitled as between himself or the other or others to use the trade mark except —

(a) on behalf of both or all of them; or

(b) in relation to goods or services with which both or all of them are connected in the course of trade,

both or all of them may be registered as joint proprietors of the trade mark, and the Trade Marks Act has effect in relation to any rights of such persons to the use of the trade mark as if those rights were rights of a single person.

(2) Subject to subsection (1), nothing in the Trade Marks Act authorizes the registration of two or more persons who use a trade mark independently, or propose so to use it, as joint proprietors of the trade mark.

COMMENTARY

Joint applicants must prove that the mark will be used on behalf of one another, or is being so used. An example would be a partnership which is not a legal entity, where all the individual partners must be named.

Section 22. Association of a trade mark

(1) Where a trade mark which is registered or is the subject of an application for registration in respect of any goods —

(a) is identical with another trade mark which is registered or is the subject of an application for registration in the name of the same proprietor in respect of the same goods or description of goods or in respect of services that are closely related to those goods; or

(b) is so nearly resembling it as is likely to deceive or cause confusion if used by a person other than the proprietor, the Registrar may at any time require that the trade marks be entered on the Register as associated trade marks.

(1A) Where a trade mark which is registered or is the subject of an application for registration in respect of any services —

(a) is identical with another trade mark which is registered or is the subject of an application for registration in the name of the same proprietor in respect of the same services or description of services or in respect of goods that are closely related to those services; or

(b) is so nearly resembling it as is likely to deceive or cause confusion if used by a person other than the proprietor, the Registrar may at any time require that the trade marks be entered on the Register as associated trade marks.

(2) On application made in the prescribed manner by the registered proprietor of two or more associated trade marks, the Registrar may dissolve the association as respects any of them if he is satisfied that there would be no likelihood of deception or confusion being caused if that trade mark were used by another person in relation to any of the goods or services in respect of which it is registered and may amend the Register accordingly.

(3) A decision of the Registrar under subsection (2) is subject to appeal to the court.

COMMENTARY

Subsections (1) and (1A) were substituted by Act A881 to enlarge the circumstances under which an association is imposed and to include references to service marks. Generally, marks are required to be associated if:

1. They are identical or confusingly similar;
2. They are for similar goods/services or for goods/services of the same description or for services/goods that are closely related to the goods/services;
3. They belong to the same proprietor; or
4. When they are used by other persons, there is a likelihood of deception and confusion.

Under subsection (2), if the possibility of deception and confusion can be proved to be eliminated, the association may be waived at the request of the registered proprietor.

Section 23. Assignment of associated trade marks

(1) Associated trade marks shall be assignable or transmissible only as a whole and not separately, but they shall for all other purposes be deemed to have been registered as separate trade marks.

(2) Where, under the Trade Marks Act, use of a registered trade mark is required to be proved for any purpose, the court or the Registrar may, if and so far as it or he shall think right, accept use of an associated trade mark or of the trade mark with additions and alterations not substantially affecting its identity as an equivalent for such use.

(3) The foregoing provisions apply in relation to proof of use of any registered trade mark and not in relation only to proof of use of a trade mark which is one of two or more associated trade marks.

COMMENTARY

Under subsection (1), all associated marks must be assigned together.

Subsection (2) benefits the proprietor if one mark has been used and the other has not, and the unused mark is under attack for non-use.

Section 24. Series of trade marks

(1) Where several trade marks in respect of the same goods or description of goods in a single class or in respect of the same services or description of services in a single class and resemble each other in material particulars but differ in respect of —

- (a) statements or representations as to the goods or services in respect of which the trade marks are used or proposed to be used;
- (b) statements or representations as to number, price, quality, or names of places;
- (c) other matter which is not distinctive and does not substantially affect the identity of the trade marks; or
- (d) color,

and a person who claims to be the proprietor thereof seeks to register the trade marks, the trade marks may be registered as a series in one registration.

(2) All trade marks registered in a series shall be deemed to be and shall be registered as associated trade marks.

COMMENTARY

Under Section 24, several trade marks which resemble each other in material particulars but differ in respect of one another with regards to certain criteria, as stated in subsection (1)(a), may be registered as a series in one registration.

Series registrations are advantageous to the proprietor as the proprietor is able to register slight variations to his trade mark and claim monopoly in respect of all the variations. While he can register all of these variations separately, a series registration is a less expensive and simpler alternative.

PART V

APPLICATION FOR REGISTRATION

Section 25. Registration

(1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him may make application to the Registrar for the registration of that mark in the Register in the prescribed manner.

(2) An application shall not be made in respect of goods or services comprised in more than one class.

(3) Subject to the provisions of the Trade Marks Act, the Registrar may refuse the application or may accept it absolutely or subject to such conditions, amendments, modifications, or limitations, if any, as he may think right to impose.

(4) In the case of refusal or conditional acceptance, the Registrar shall, if required by the applicant, state in writing the grounds of his decision and the material used by him in arriving at the same.

(5) A decision of the Registrar under subsection (3) is subject to appeal to the court.

(6) An appeal under this section shall be made in the prescribed manner, and the court shall, if required, hear the applicant and the Registrar, and shall make an order determining whether, and subject to what conditions, amendments, modifications, or limitations, if any, the application is to be accepted.

(7) The appeal shall be heard on the material stated by the Registrar to have been used by him in arriving at his decision, and no further grounds of objection to the acceptance of the application shall be allowed to be taken by the Registrar other than those so stated except by leave of the court.

(8) Where any further grounds of objection are taken, the applicant shall be entitled to withdraw his application without payment of costs on giving notice in the prescribed manner.

(9) The Registrar or the court, as the case may be, may at any time, whether before or after acceptance, correct any error in or in connection with the application or may permit the applicant to amend his application on such terms as he or it may think fit.

(10) Any application submitted and accepted under this section shall, notwithstanding any correction or amendment permitted by the Registrar or the court to be made in such application, be deemed to have been made on the date of its original submission.

(11) *Deleted*

(12) Without prejudice to subsection (10), where, after the acceptance of an application for registration of a trade mark but before the registration of the trade mark, the Registrar is satisfied —

(a) that the application has been accepted in error; or

(b) that, in the special circumstances of the case, the trade mark shall not be registered or shall be registered subject to additional or different conditions or limitations,

the Registrar may withdraw the acceptance and proceed as if the application had not been accepted or, in respect only of the trade mark which shall be registered subject to additional or different conditions or limitations, reissue a new acceptance subject to additional or different conditions or limitations.

COMMENTARY

Subsection (2) was inserted by Act A881 to include services. The classifica-

tion of goods and services is as set forth in the Trade Mark Regulations 1997. There are 45 classes. Separate applications must be filed for goods and services falling under separate classes.

Under subsection (3), grant of discretion to the Registrar applies for both *ex parte* proceedings and contested proceedings in applications. The application may be accepted absolutely or subject to certain conditions, disclaimers, associations, amendments, limitations etc.

Under subsection (4), the court will not normally interfere with the Registrar's discretion unless he is clearly wrong. In regard to subsection (7), there is no jurisdiction to admit further evidence on an appeal from the Registrar.

Under subsection (12), the power to withdraw is not often used, but will be invoked if there is a significant oversight in the course of examination, e.g., overlooking a directly relevant citation.

Section 26. Application may be accepted where trade mark is to be used by assignee or registered user

(1) An application for the registration of a trade mark in respect of any goods or services shall not be refused, nor shall permission for such registration be withheld on the ground that it appears that the applicant does not use or propose to use the trade mark —

(a) if the Registrar is satisfied that a body corporate is about to be constituted and that the applicant intends to assign the trade mark to the corporation with a view to the use thereof in relation to those goods or services by the corporation; or

(b) if an application has been made for the registration of a person as a registered user of the trade mark, and the Registrar is satisfied that the proprietor intends it to be used by that person in relation to those goods or services and the Registrar also is satisfied that that person will be registered as a registered user thereof immediately after registration of the trade mark.

(2) The Registrar may, as a condition of the exercise of the power conferred by subsection (1) in favor of the applicant, require him to give security for the costs of any proceedings before him relative to any opposition and, in default of such security being duly given, may treat the application as abandoned.

(3) Where a trade mark is registered in respect of any goods or services under the power conferred by subsection (1), then unless the corporation has been registered as the proprietor of the trade mark in respect of those goods or services within a period of six months, the registration shall cease to have effect in respect thereof at the expiration of that period, and the Registrar shall amend the Register accordingly.

COMMENTARY

It is uncommon for the Registrar to refuse registration of a trade mark on the basis that the applicant does not intend to use the trade mark himself.

The applicant may appoint licensees or may assign the trade mark to the assignee who may use the mark.

Section 27. Advertisement of acceptance of an application

(1) When an application for registration of a trade mark has been

accepted whether absolutely or subject to conditions, amendments, modifications, or limitations, the Registrar shall, as soon as may be possible after acceptance, cause the application as accepted to be advertised in the prescribed manner.

(2) The advertisement shall set forth all conditions, amendments, modifications and limitations subject to which the application has been accepted except that the Registrar may cause an application for registration of a trade mark to be advertised before acceptance thereof if the considerations in subsection (2B) of section 10 or subsection (1A) of section 11 apply, or in any other case where it appears to him that it is expedient by reason of any exceptional circumstances to do so.

(3) Where an application has been advertised under subsection (2), the Registrar may, if he thinks fit, advertise it again when it has been accepted, but he shall not be bound to do so.

COMMENTARY

When an application is accepted, whether conditionally or unconditionally, the Registrar orders it to be advertised in the government *Gazette* where it will be open to opposition. Details of the trade mark application will appear in the *Gazette*.

Section 28. Opposition to registration

(1) Any person may, within the prescribed time from the date of the advertisement of an application for the registration of a trade mark, give notice to the Registrar and applicant of opposition to the registration.

(2) The notice shall be given in writing in the prescribed manner and shall include a statement of the grounds of opposition.

(3) The applicant shall, within the prescribed time after the receipt of the notice of opposition, send to the Registrar and the opponent a counter-statement, in the prescribed manner, of the grounds for his application and, if he does not do so, he shall be deemed to have abandoned his application.

(3A) If the applicant submits a counter-statement under subsection (3), the opponent and applicant shall file evidence and exhibits in the prescribed manner and within the prescribed time in support of the opposition or the counter-statement, as the case may be, to be adduced in the prescribed manner and, if the opponent or applicant fails to do so, the opposition or application, as the case may be, shall be treated as abandoned.

(3B) If the applicant files evidence and exhibits under subsection (3A), the opponent may, within the prescribed time, send to the Registrar and applicant evidence in reply to be adduced in the prescribed manner.

(4) After considering the evidence and exhibits and after giving the applicant and the opponent an opportunity of making written submissions, the Registrar shall decide whether —

- (a) to refuse to register the trade mark;

(b) to register the trade mark absolutely; or

(c) to register the trade mark subject to such conditions, amendments, modifications, or limitations as he may think fit.

(5) A decision of the Registrar under subsection (4) is subject to appeal to the court.

(6) An appeal under this section shall be made in the prescribed manner, and the court shall, if required, hear the parties and the Registrar, and shall make an order determining whether, and subject to what conditions, amendments, modifications, or limitations, if any, registration is to be permitted.

(7) On the hearing of an appeal under this section, any party may, either in the manner prescribed or by special leave of the court, bring forward further material for the consideration of the court, but no further grounds of objection to the registration of a trade mark shall be allowed to be taken by the opponent or the Registrar other than those stated by the opponent except by leave of the court.

(8) Where any further grounds of objection are taken, the applicant shall be entitled to withdraw his application without payment of the costs of the opponent on giving notice as prescribed.

(9) In any appeal under this section, the court may, after hearing the Registrar, permit the trade mark proposed to be registered to be modified in any manner not substantially affecting the identity of the trade mark, but in any such case the trade mark as modified shall be advertised in the prescribed manner before being registered.

(10) If a person giving notice of opposition or an applicant sending a counterstatement after receipt of such a notice, or an appellant, neither resides nor carries on business in Malaysia, the Registrar or the court may require him to give security for costs of the proceedings relative to the opposition, application, or appeal, as the case may be and, in default of such security being duly given, may treat the opposition, application, or appeal, as the case may be, as abandoned.

COMMENTARY

In subsection (1), the words “any person” and not “any person aggrieved” means that any persons, whether registered proprietors or not, are eligible to file oppositions. Even customers, purchasers, or members of the public likely to use the goods may object to registration on grounds of possible deception or confusion.

Subsection (3) was substituted by Act A881. In the past, it was the duty of the Registrar to serve a copy of the Notice of Opposition on the applicant.

Both subsection (3A) and subsection (3B) are inserted by A881. On receipt of a copy of the counterstatement, the opponent must file evidence in support of the opposition by way of a Statutory Declaration within two months or within an extended time as applied for, serving such copies directly on the applicant or his trade mark agents. Likewise, within two months of the date of receipt of the opponent’s evidence, the applicant also should file evidence in support of the application, by serving copies thereof on the opposite side. Thereafter, it is the opponent’s turn to file evidence in reply. Extension of time is allowed.

Subsection (4) was amended by Act A881. Subsection (10) was amended by Act A881, requiring a security of costs from either party or both parties if they neither reside nor carry on business in Malaysia.

Section 29. Non-completion of registration

(1) When an application for registration of a trade mark is not completed within 12 months from the date of the application by reason of default on the part of the applicant, the Registrar may, after giving notice in writing of the non-completion to the applicant in the prescribed manner, treat the application as abandoned unless it is completed within the time specified in that behalf in the notice.

(2) Where an appeal under any of the provisions of the Trade Marks Act has been instituted in respect of an application for registration of a trade mark, the Registrar shall not give notice of non-completion of the application until the expiration of three months after the determination of the appeal or until the expiration of such further time as the court may allow.

COMMENTARY

The above provision ensures that applications do not remain on record *sine die* where there are no objections from the Registry. Where non-completion is caused by default on the part of the applicant and 12 months have elapsed, a notice would be issued informing the applicant about the non-completion of registration. Unless responded to, the application is treated as being abandoned.

In cases where the subject application is under appeal, the notice will only be issued three months after the determination of the appeal.

PART VI

REGISTRATION AND EFFECT OF REGISTRATION

Section 30. Registration of trade mark

(1) When an application for registration of a trade mark in the Register has been accepted and either —

(a) the application has not been opposed and the time for opposition has expired; or

(b) the application has been opposed and the opposition has been decided in favor of the applicant,

the Registrar shall, unless the application has been accepted in error, register the trade mark in the Register on payment of the prescribed fees in the name of the proprietor and the trade mark so registered shall be registered as of the date of application for registration and that date shall be deemed for the purpose of the Trade Marks Act to be the date of registration.

(2) On the registration of a trade mark, the Registrar shall issue to the applicant a certificate of the Registration of the trade mark in the prescribed form under the seal of the Registrar.

COMMENTARY

Under subsection (1), a trade mark registration is effective from the date of application, except for priority applications. Thus, the renewal period also is to be calculated from that date. This section has been amended by Act A1078 to delete mention of the previous dual parts of the Register.

Under subsection (2), a certificate of registration will be issued after the mark is registered. Certain details like disclaimers, associations, user, and other limitations and conditions do not appear on the certificate.

Section 31. Time for registration

(1) Subject to subsection (2), a trade mark shall not be registered after 12 months from the date of the advertisement of the acceptance of the application for registration of the trade mark.

(2) Where the registration of a trade mark is delayed by —

(a) opposition to the registration of the trade mark;

(b) any appeal made to the court; or

(c) an action on the part of the Central Trade Marks office or any trade marks office,

that trade mark may be registered within such time as directed by the Registrar or the court, respectively.

(3) Where a trade mark has not been registered within the time applicable to it the application shall lapse.

COMMENTARY

Under subsection (1), the time frame provided by law for a trade mark to be registered is 12 months from the date of advertisement, except where delays due to circumstances listed in subsection (2) occur.

Subsection (2)(c) was inserted by Act A881. Under subsection (3), if the registration formalities are not completed by the applicant within the 12-month deadline after the date of advertisement, the application shall lapse and cannot be revived.

Section 32. Duration of registration

(1) The registration of a trade mark shall be for a period of 10 years but may be renewed from time to time in accordance with this Act.

(2) Where a trade mark is registered under the repealed Ordinances and is incorporated into and forms part of the Register under the Trade Marks Act, the registration of such trade mark, unless renewed under the Trade Marks Act, shall be for a period equal to the unexpired portion of the period for which the trade mark was registered or renewed under the repealed Ordinances.

(3) The registration of a trade mark may be renewed from time to time in accordance with Part VII.

COMMENTARY

Subsection (1) is amended by Act A881, whereby the term of the initial registration has been extended from seven years to 10 years.

Subsection (3) implicitly provides that rights to a trade mark would remain perpetual if a mark is continuously renewed.

Section 33. Words used as name or description of article, substance, or service

(1) The registration of a trade mark shall not be deemed to have become invalid by reason only of any use after the date of the registration of a word or words which the trade mark contains or of which it consists as the name or description of an article, a substance, or a service.

(2) If it is proved either —

(a) that there is a well-known and established use of the word or words as the name or description of the article or substance by a person or persons carrying on a trade therein, not being use in relation to goods connected in the course of trade with the proprietor or a registered user of the trade mark on, in the case of a certification trade mark, goods certified by the proprietor;

(b) that the article or substance was formerly manufactured under a patent, that a period of two years after the cesser of the patent has elapsed, and that the word or words is or are the only practicable name or description of the article or substance; or

(c) that there is a well-known and established use of the word or words as the name or description of some service by a person or persons providing services which include that service, not being use in relation to services the provision of which the proprietor or registered user of the trade mark is connected to in the course of trade,

subsection (3) shall have effect.

(3) When the facts mentioned in paragraph (a), (b), or (c) of subsection (2) are proved with respect to any word or words then —

(a) if the trade mark consists solely of that word or those words, the registration of the trade mark, so far as regards registration in respect of the article, substance, or service in question or of any goods or service of the same description, shall be deemed for the purpose of section 45 to be an entry wrongly remaining in the Register;

(b) if the trade mark contains the word or those words and other matter, the court or the Registrar in deciding whether the trade mark shall remain on the Register so far as regards registration in respect of the article, substance, or service in question or of any goods or service of the same description may in case of a decision in favor of its remaining on the Register require as a condition thereof that the proprietor shall disclaim any right to the exclusive use in relation to that article, substance, or service in question or any goods or service of the same description of that word or those words so, however, that no disclaimer on the Register shall affect any right of the proprietor of a trade mark except such as arising out of the registration of the trade mark in respect of which the disclaimer is made; and

(c) for the purpose of any other legal proceedings relating to the trade mark —

(i) if the trade mark consists solely of that word or those words, all rights of the registered proprietor to the exclusive use of the trade mark in relation to the article, substance, or service in question or to any goods or service of the same description; and

(ii) if the trade mark contains that word or those words and

other matter, all rights of the registered proprietor to the exclusive use of the word or those words, in such relation as in subparagraph (1),

shall be deemed to have ceased on the date at which the use mentioned in paragraph (a) or (c) of subsection (2) first became well known and established or at the expiration of the period of two years mentioned in paragraph (b) of subsection (2).

(4) No word which is the commonly used and accepted name of any single chemical element or single chemical compound, as distinguished from a mixture, shall be registered as a trade mark in respect of a chemical substance or preparation except that this subsection shall not have effect in relation to a word which is used to denote only a brand or make of the element or compound as made by the proprietor or a registered user of the trade mark as distinguished from the element or compound as made by others and in association with a suitable name or description open to the public use.

COMMENTARY

Subsection (1) was amended by Act A881 to include services.

Generally, the section provides that, if a trade mark becomes generic and is descriptive of an article, substance, or service after it has been registered, then the trade mark registration is liable to be expunged on grounds that it is wrongfully remaining on the Register.

Section 34. Powers of the registered proprietor

Subject to the provisions of the Trade Marks Act, —

(a) the person for the time being entered in the Register as registered proprietor of a trade mark shall, subject to any rights appearing from such Register to be vested in any other person, have power to assign the same and give good discharges for any consideration for the assignment; and

(b) any equities in respect of a trade mark may be enforced in like manner as in respect of any other personal property.

COMMENTARY

A registered trade mark is a form of property and as such can be dealt with in the like manner.

Section 35. Rights given by registration

(1) Subject to the provisions of the Trade Marks Act, the registration of a person as registered proprietor of a trade mark (other than a certification trade mark) in respect of any goods or services shall, if valid, give or be deemed to have been given to that person the exclusive right to the use of the trade mark in relation to those goods or services subject to any conditions, amendments, modifications, or limitations entered in the Register.

(2) Where two or more persons are proprietors of registered trade marks which are identical or nearly resembling each other, rights of exclusive use of either of those trade marks are not (except so far as their respective rights have been defined by the Registrar or the

court) acquired by any one of those persons as against any other of those persons by registration of the trade mark but each of those persons has the same rights as against other persons (not being registered users) as he would have if he were the sole registered proprietor.

COMMENTARY

Subsection (1) was amended by Act A881 to include services. Registration grants the proprietor monopolistic rights to use the trade mark on the goods or services so registered.

Subsection (2) was amended by Act A881.

Section 36. Registration *prima facie* evidence of validity

In all legal proceedings relating to a registered trade mark (including applications under section 45), the fact that a person is registered as proprietor of the trade mark is *prima facie* evidence of the validity of the original registration of the trade mark and of all subsequent assignments and transmissions thereof.

COMMENTARY

The only presumption that follows from the registration of a mark is its *prima facie* evidentiary value about its validity and its subsequent assignments and transmissions.

No other presumption is recognized, and a registration may be challenged by filing rectification proceedings.

Section 37. Registration conclusive

In all legal proceedings relating to a trade mark registered in the Register (including applications under section 45), the original registration of the trade mark under the Trade Marks Act shall, after the expiration of seven years from the date thereof, be taken to be valid in all respects unless it is shown —

(a) that the original registration was obtained by fraud;

(b) that the trade mark offends against section 14; or

(c) that the trade mark was not, at the commencement of the proceedings, distinctive of the goods or services of the registered proprietor,

except that this section shall not apply to a trade mark registered under the repealed Ordinances and incorporated in the Register pursuant to subsection (3) of section 6 until after the expiration of three years from the commencement of the Trade Marks Act.

COMMENTARY

Section 37 confers a conclusive presumption of validity on an original registration after seven years from the date of its registration except in the three categories mentioned above. The presumption does not extend to subsequent assignments or other entries or events. It follows, therefore, that no objection that the trade mark in question was not distinctive and, therefore, was not registrable can be entertained if such an objection is raised after seven years since the date of its registration.

Subsection (a) provides that, to make out a case in fraud, the fraud must be practiced on the Registrar at the time of registration. The meaning of fraud here has not been precisely defined although in the case of *Tiga Gajah*

Cho Heng Sdn Bhd v Majuperak Tepung Beras Sdn Bhd [1997] 4 MLJ, the High Court held that “fraud” must and ought to reflect the ordinary meaning ascribed to it (ie involving dishonesty or grave moral culpability) and show conduct involving dishonesty or deception, by word or deed or omission by word or deed. In this case, the Registrar himself may apply to rectify the Register.

Subsection (c) provides that the expression “commencement of the proceedings” would mean the commencement of the proceedings in which the question as to the conclusive character of the trade mark arises.

Section 38. Infringement of a trade mark

(1) A registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or registered user of the trade mark using by way of permitted use, uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade in relation to goods or services in respect of which the trade mark is registered in such a manner as to render the use of the mark likely to be taken either —

(a) as being use as a trade mark;

(b) in a case in which the use is use on the goods or in physical relation thereto or in an advertising circular, or other advertisement, issued to the public, as importing a reference to a person having the right either as registered proprietor or as registered user to use the trade mark or to goods with which the person is connected in the course of trade; or

(c) in a case in which the use is use at or near the place where the services are available or performed or in an advertising circular or other advertisement issued to the public, as importing a reference to a person having a right either as registered proprietor or as registered user to use the trade mark or to services with the provision of which the person is connected in the course of trade.

COMMENTARY

Trade mark infringement proceedings are commenced in the High Court by way of a writ of summons. Subsection (1) is construed consistently with the view of the proprietor’s exclusive right, where the infringing act must meet the following requirements:

1. The defendant must use the mark as a trade mark;
2. The use must be in relation to the goods or services of someone other than the registered proprietor or a registered user using by way of permitted use;
3. The mark must be used in the course of trade;
4. The mark must be substantially identical with or deceptively similar to the registered mark;
5. The use must be in relation to goods and services falling within the scope of the plaintiff’s registration; and
6. The use must occur in Malaysia.

If a plaintiff succeeds in an action for infringement, he may obtain an order for:

1. An injunction restraining further infringements of his rights;
2. The delivery up for the destruction or for the erasure of the marks of any goods already marked with the spurious mark and in possession

or under the control of the defendant, as well as deceptive labels and advertising materials;

3. An inquiry as to damages in respect of past infringements or, in lieu, an account of the profits made by the defendant by the sale of spuri-ously marked goods, or for some one or more of these; and
4. A public apology to be published in the local newspapers.

If the defendant has not used the mark “as a trade mark” there can be no infringement. The use must be actual use as a trade mark indicat-ing origin in the sense of a badge of origin.

“In relation to goods” is construed to mean on or in physical or other relation to the goods or services. Thus, use on invoices and cor-respondences in relation to the goods or services or in advertising, at least if the goods are available to fill the orders resulting from the advertisement, constitutes use.

Whether the use of a trade mark is likely to import a reference to the proprietor or registered user or the goods of either of them is a ques-tion of fact in each case. Where the mark is an invented word or a word which has no reference to the character of the goods or services and is not the name of a geographical name, the inference that it would be taken to import such a reference will readily be drawn.

The position in regards to comparative advertising is uncertain in Malaysia, although it seems that the use of a registered trade mark for purposes of comparative advertising is unlawful per se due to the fact that usage of a registered trade mark is likely to be taken as importing a reference to the proprietor or the proprietor’s goods.

Section 39. Infringement of trade mark by breach of certain restriction

(1) Where, by notice on goods or on the container of goods, the registered proprietor or a registered user of a trade mark registered in the Register makes a statement prohibiting the doing of an act to which this section applies, a person who, being the owner for the time being of the goods, does that act, or authorizes it to be done, in relation to the goods in the course of trade or with a view to a deal-ing with the goods in the course of trade, shall be deemed to infringe the trade mark unless —

(a) at the time when he agreed to buy the goods he acted in good faith without notice that the statement appeared on the goods; or

(b) he became the owner of the goods by virtue of a title derived from another person who had agreed to buy the goods.

(2) The acts to which this section applies are —

(a) the application of the trade mark on goods after they have suffered alteration to their state, conditions, get-up, or packing;

(b) in a case in which the trade mark is on the goods, the altera-tion, partial removal, or partial obliteration of the trade mark, the application of some other trade mark to the goods, or the ad-dition to the goods of other matter in writing or otherwise that is likely to injure the reputation of the trade mark; and

(c) in the case in which the trade mark is on the goods and there also is other matter on the goods indicating a connection in

the course of trade between the registered proprietor or registered user and the goods, the removal or obliteration, whether wholly or partially, of the trade mark unless that other matter is wholly removed or obliterated.

(3) In this section, references in relation to goods to the registered proprietor, to a registered user, and to the registration of a trade mark shall be construed, respectively, as references to the registered proprietor of the trade mark, to a registered user of the trade mark, and to the registration of the trade mark in respect of those goods, and the expression “on” includes, in relation to goods, a reference to the physical relation to the goods.

Section 40. Acts not constituting infringement

(1) Notwithstanding anything contained in the Trade Marks Act, the following acts do not constitute an infringement of a trade mark

(a) the use in good faith by a person of his own name or the name of his place of business or the name of the place of business of any of his predecessors in business;

(b) the use in good faith by a person of a description of the character or quality of his goods or services, and in the case of goods not being a description that would be likely to be taken as importing any reference as is mentioned in paragraph (b) of subsection (1) of section 38 or paragraph (b) of subsection (3) of section 56;

(c) the use by a person of a trade mark in relation to goods or services in respect of which he has by himself or his predecessors in business continuously used the trade mark from a date before

(i) the use of the registered trade mark by the registered proprietor, by his predecessors in business, or by a registered user of the trade mark; or

(ii) the registration of the trade mark,
whichever is the earlier;

(d) in relation to goods connected in the course of trade with the registered proprietor or a registered user of the trade mark if, as to those goods or a bulk of which they form part, the registered proprietor or the registered user in conforming to the permitted use has applied the trade mark and has not subsequently removed or obliterated it;

(dd) the use by a person of a trade mark in relation to goods or services to which the registered proprietor or registered user has at any time expressly or impliedly consented to;

(e) the use of the trade mark by a person in relation to goods or services adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of the right given or might for the time be-

ing be so used, if the use of the trade mark is reasonably necessary to indicate that the goods or services are so adapted and neither the purpose nor the effect of the use of trade mark is to indicate otherwise than in accordance with the facts a connection in the course of trade between any person and the goods or services; and

(f) the use of a trade mark, which is one of two or more registered trade marks which are substantially identical, in exercise of the right to the use of that trade mark given by registration as provided by the Trade Marks Act.

(2) Where a trade mark is registered subject to conditions, amendments, modifications, or limitations, the trade mark is not infringed by the use of the trade mark in any manner in relation to goods to be sold or otherwise traded in a place or in relation to goods to be exported to a market or in relation to services to be provided in a place or in any other circumstances to which having regard to those conditions, amendments, modifications, or limitations the registration does not extend.

COMMENTARY

Section 40 gathers together various limitations of the registered proprietor's rights.

Subsection (a) embodies the Common Law principle that a person should have the right to trade under one's own name. Good faith here means the honest use by the person of his own name, without any intention to deceive anybody and without any intention to make use of the goodwill which has been acquired by another trader.

Subsection (b) also embodies a Common Law principle, namely, that registration should not interfere with the right of another trader to honestly describe his goods or services. It seems that such right is only limited to the use of descriptive words and does not extend to the use of devices; nor will it protect the use of fanciful or coined words or expressions.

Subsection (d) was amended by Act A881. Subsection (dd) was inserted by Act A881. The section suggests that the Trade Marks Act gives no right to the registered proprietor to prevent parallel imports, where the trade mark proprietor in Malaysia of origin of the imported goods was the same as that in Malaysia. Where the overseas proprietor is related to the local proprietor, the position is unclear.

Subsection (2) was amended by Act A881. Rights acquired by registration of a trade mark are subject to any conditions, amendments, limitations, or modifications to which the registration is subject.

PART VII

RENEWAL OF REGISTRATION

Section 41. Renewal of registration

(1) The Registrar shall, on application made by the registered proprietor of a trade mark in the prescribed manner and within the prescribed period, renew the registration of the trade mark for a period of 10 years from the date of expiration of the original registration, or of the last renewal of registration, as the case may be, and this date shall hereinafter be referred to as "the date of expiration of the last registration".

(2) At the prescribed time before the date of expiration of the last registration of a trade mark, the Registrar shall send notice in the prescribed manner to the registered proprietor of the date of expiration of the last registration and the conditions as to payment of fees on which the renewal of the registration may be obtained and, if such conditions have not been duly complied with, the Registrar may remove the trade mark from the Register subject to such conditions, if any, as to its restoration to the Register as may be prescribed upon payment of fees for restoration.

(3) Notwithstanding subsection (2), the registration of a trade mark shall not be renewed where the application for renewal is made after one year has lapsed from the date of expiration of the last registration.

COMMENTARY

Subsection (1) was amended by Act A881 to provide for renewal of the mark for a uniform period of 10 years from the date of expiration of the last registration period.

Subsection (2) was amended by Act A881. It is mandatory for the Registrar to issue a renewal notice to the registered proprietor or his trade mark agents notifying him of the expiration date of the registration. It is usual for such notices to be issued three months before the expiration of a registration. If the renewal fee is not paid up by the expiration date, the mark will be removed from the Register. At this stage, subject to subsection (3), it is still possible to renew the lapsed registration by the payment of a restoration fee.

Subsection (3) was inserted by Act A881. A trade mark registration cannot be renewed or restored after one year of the expiration date.

Section 42. Status of unrenewed mark

Where a trade mark has been removed from the Register for non-payment of the fee for renewal, it shall, nevertheless, for the purpose of an application for the registration of a trade mark, within one year from the date of expiration of the last registration, be deemed to be a trade mark which is already on the Register except that this section shall not have effect when the Registrar is satisfied either —

(a) that there has been no use in good faith of the trade mark which has been removed during the two years immediately preceding its removal; or

(b) that no deception or confusion is likely to arise from the use of the trade mark which is the subject of the application for registration by reason of any previous use of the trade mark which has been removed.

COMMENTARY

Section 42 was amended by Act A881. For a period of one year from the expiration date, a trade mark registration that has been removed from the Register for non-payment of a renewal fee is nevertheless still treated as being a registered trade mark in the search for prior rights, provided the two exceptions do not come into play.

PART VIII**CORRECTION AND RECTIFICATION OF REGISTER****Section 43. Correction of the Register**

(1) The Registrar may, on request made in the prescribed manner by the registered proprietor of a trade mark, amend or alter the Register —

(a) by correcting an error or entering any change in the name, address, or description of the registered proprietor of a trade mark;

(b) by canceling the entry of a trade mark in the Register;

(c) by amending the specification of the goods or services in respect of which the trade mark is registered or entering a disclaimer or memorandum relating to the trade mark without extending in any way the rights given by the existing registration of the trade mark,

and may make any consequential amendment or alteration in the certificate of registration and for that purpose may require the certificate of registration to be submitted to him.

(2) The Registrar may on the request made in the prescribed manner by a registered user of a trade mark correct an error or enter any change in the name, address, or description of that registered user.

(3) A decision of the Registrar under this section is subject to appeal to the court.

COMMENTARY

Section 43 provides for the registered proprietor to make various corrections to the records of the registered trade mark on payment of prescribed fees.

Section 44. Alterations of registered trade mark

(1) The registered proprietor of a trade mark may apply in the prescribed manner to the Registrar for leave to add to or alter the trade mark in any manner not substantially affecting the identity thereof, and the Registrar may refuse leave or may grant it on such terms and subject to such limitations as he may think fit.

(2) The Registrar may cause an application under this section to be advertised in the prescribed manner in any case where it appears to him that it is expedient to do so and, if within the prescribed time from the date of the advertisement any person gives notice to the Registrar in the prescribed manner of opposition to the application, the Registrar shall, after hearing the parties if so required, decide the matter.

(3) A decision of the Registrar under this section is subject to appeal to the court.

(4) Where leave under subsection (1) is granted, the trade mark, as altered, shall be advertised in the prescribed manner unless it has already been advertised in the form to which it has been altered in an advertisement under subsection (2).

COMMENTARY

The representation of a registered trade mark also can be amended by the registered proprietor. However, the amendment will not be allowed if it materially affects and changes the look, sound, and/or structure of the mark.

What amounts to a substantial amendment will depend on the circumstances surrounding the case in issue.

Section 45. Rectification of the Register

(1) Subject to the provisions of the Trade Marks Act —

(a) the court may, on the application in the prescribed manner of any person aggrieved by the non-insertion in or omission from the Register of any entry or by any entry made in the Register without sufficient cause or by any entry wrongfully remaining in the Register, or by any error or defect in any entry in the Register, make such order for making, expunging, or varying such entry as it thinks fit;

(b) the court may, in any proceeding under this section, decide any question that may be necessary or expedient to decide in connection with the rectification of the Register;

(c) in case of fraud in the registration, assignment, or transmission of a registered trade mark or if in his opinion it is in the public interest to do so, the Registrar may himself apply to the court under this section;

(d) an order of the court rectifying the Register shall direct that notice of the rectification be served on the Registrar in the prescribed manner and the Registrar shall on receipt of the notice rectify the Register accordingly.

COMMENTARY

Under subsection (1)(a), an application to rectify the Register to expunge a registered trade mark, to enter into the Register particulars that were wrongly omitted from it, or to correct an error in an entry in the Register is commenced in the High Court by way of motion. The rectification action provision here can only be invoked by a person other than the proprietor or the Registrar who is a “person aggrieved”.

The definition of an “aggrieved person” has been broadly defined. They are all those persons who are, in some way or other, substantially interested in having the mark removed, including all persons who would be substantially damaged if the mark remained and all trade rivals for whom an advantage was gained by the trader who was getting the benefit of a registered trade mark to which he was not entitled, and includes:

1. An applicant of a trade mark application whose application is being objected to because of the registered trade mark;
2. An alleged infringer of a mark;
3. A person who has before registration used the registered mark; and
4. An exporter of goods manufactured abroad which are imported into Malaysia and then exported out.

In regard to any entry made without sufficient cause, some examples of cases in which the court has been called on to exercise its jurisdiction are:

1. The trade mark is not capable of distinguishing the proprietor’s goods;
2. The use of the mark would be contrary to law;
3. The mark consists of some element or sign which is precluded from registration;

4. The mark contains or consists of scandalous matter;
5. The mark is deceptively similar to or substantially identical with a trade mark registered in respect of the same or closely related goods and services which has an earlier priority date than the impugned mark; and
6. The mark is deceptively similar to or substantially identical with a trade mark which, before the priority date of the impugned mark, has acquired a reputation in Malaysia.

As to any entry made wrongfully remaining, the list of potential grounds under this head are:

1. The loss of distinctiveness, e.g., the mark becoming generic after registration;
2. The right separated from business in connection with which acquired;
3. The abandonment by adoption of a new mark or neglect to prosecute offenders,
4. The mark becoming deceptive; and
5. The mark used as the name or description of an article, substance, or activity.

Under subsection (1)(c), there is no specific meaning to “fraud”, although it necessarily means that there must be some deliberate wrongdoing on the part of the registered proprietor.

Section 46. Provisions as to non-use of trade mark

(1) Subject to this section and to section 57, the court may, on application by a person aggrieved, order a trade mark to be removed from the Register in respect of any of the goods or services in respect of which it is registered on the ground —

(a) that the trade mark was registered without an intention in good faith, on the part of the applicant for registration or, if it was registered under subsection (1) of section 26, on the part of the body corporate or registered user concerned, to use the trade mark in relation to those goods or services and that there has in fact been no use in good faith of the trade mark in relation to those goods or services by the registered proprietor or registered user of the trade mark for the time being up to one month before the date of the application; or

(b) that up to one month before the date of the application a continuous period of not less than three years had elapsed during which the trade mark was a registered trade mark and during which there was no use in good faith of the trade mark in relation to those goods or services by the registered proprietor or registered user of the trade mark for the time being.

(2) Except where an applicant has been permitted under section 20 to register an identical or a nearly resembling trade mark in respect of the goods or services to which the application relates or where the court is of the opinion that the applicant can properly be permitted to register the trade mark, the court may refuse an application made under subsection (1) —

(a) in relation to any goods, if there has been, before the relevant date or during the relevant period, as the case may be, use in good faith of the trade mark by the registered proprietor of the trade mark for the time being in relation to goods of the same de-

scription, being goods in respect of which the trade mark is registered; and

(b) in relation to any services, if there has been, before the relevant date or during the relevant period, as the case may be, use in good faith of the trade mark by the registered proprietor of the trade mark for the time being in relation to services of the same description, being services in respect of which the trade mark is registered.

(3) Where in relation to goods in respect of which a trade mark is registered —

(a) the matters referred to in paragraph (b) of subsection (1) are shown as far as regards failure to use the trade mark in relation to goods to be sold or otherwise traded in a particular place in Malaysia (otherwise than for export from Malaysia) or in relation to goods to be exported to a particular market outside Malaysia; and

(b) a person has been permitted under section 20 to register an identical or nearly resembling trade mark in respect of those goods under a registration extending to the use in relation to goods to be sold or otherwise traded in that place (otherwise than for export from Malaysia) or in relation to goods to be exported to that market, or the court is of the opinion that that person might properly be permitted to register the trade mark,

the court may, on application by that person, direct that the registration of the first-mentioned trade mark shall be subject to such conditions, amendments, modifications, or limitations as the court thinks proper for securing that that registration shall cease to extend to use of the trade mark in relation to goods to be sold or otherwise traded in that place (otherwise than for export from Malaysia) or in relation to goods to be exported to that market.

(3A) Where in relation to services in respect of which a trade mark is registered —

(a) the matters referred to in paragraph (b) of subsection (1) are shown as far as regards failure to use the trade mark in relation to services provided in a particular place in Malaysia; and

(b) a person has been permitted under section 20 to register an identical or a nearly resembling trade mark in respect of those services under a registration extending to the use in relation to services provided in that place, or the court is of the opinion that that person might properly be permitted to register the trade mark,

the court may, on application by that person, direct that the registration of the first-mentioned trade mark shall be subject to such conditions, amendments, modifications, or limitations as the court thinks proper for securing that that registration shall cease to extend to use of the trade mark in relation to services provided in that place.

(4) An applicant is not entitled to rely for the purpose of paragraph (b) of subsection (1) or for the purpose of subsection (3) or (3A) on any failure to use a trade mark if failure is shown to have been due to special circumstances in the trade and not to an intention not to use or to abandon the trade mark in relation to the goods to which the application relates.

COMMENTARY

Section 46 is concerned with non-use and provides that a trade mark may be removed from the Register in respect of any of the goods for which it is registered on application by a person aggrieved if either:

1. The mark was registered without a genuine intention to use it and there has in fact been no such user; or
2. There has been no *bona fide* use of the mark for at least three years prior to one month before the application to remove it.

Subsection (2) was substituted by Act A881. A defense provided to the registered proprietor in that an application under subsection (1) will be refused if it can be established that the non-use relates to only some of the goods. If the mark has been used in good faith on goods or services of the same description, the court will have a discretion not to strike out the non-used goods or services so long as the used goods or services are “goods or services in respect of which the mark is registered”.

Under subsection (4), it is expressed that an applicant for rectification cannot rely on any failure to use the trade mark if that failure was due to special circumstances in the trade and not to an intention not to use or to abandon the goods to which the application relates.

The special circumstances must apply in the trade concerned and not merely in the proprietor’s business. The non-use may not have been due to some other cause, which would have operated in any case.

Section 47. Registration of assignment

(1) Where a person becomes entitled by assignment or transmission to a registered trade mark, he shall make application to the Registrar to register his title, and the Registrar shall, on receipt of the application and proof of title to his satisfaction, register that person as the proprietor of the trade mark in respect of the goods or services in respect of which the assignment or transmission has effect and cause particulars of the assignment or transmission to be entered in the Register.

(2) A decision of the Registrar under subsection (1) is subject to appeal to the court.

(3) Except in the case of an appeal under this section or of an application under section 45, a document or instrument in respect of which no entry has been made in the Register in accordance with subsection (1) shall not, unless the court otherwise directs, be admissible in evidence in Court to prove title to a registered trade mark.

COMMENTARY

It is mandatory to record all assignments or transmissions to a registered trade mark with the Registry.

PART IX

REGISTERED USERS

Section 48. Registered users

(1) Subject to the provisions of this section, where the registered

proprietor of a trade mark grants, by lawful contract, a right to any person to use the trade mark for all or any of the goods or services in respect of which the trade mark is registered, that person may be entered on the Register as a registered user of the said trade mark whether with or without any conditions or restrictions, provided that it shall be a condition of any such registration that the registered proprietor shall retain and exercise control over the use of the trade mark and over the quality of the goods or services provided by the registered user in connection with that trade mark.

(2) Where it is proposed that a person shall be registered as a registered user of a trade mark, the registered proprietor shall submit an application to the Registrar for the registration of that person as a registered user of the trade mark, and such application shall be accompanied by the prescribed fee and the following information:

- (a) the representation of the registered trade mark;
- (b) the names, addresses, and addresses for service of the parties;
- (c) the goods or services in respect of which the registration is proposed;
- (d) any conditions or restrictions proposed with respect to the characteristics of the goods or services, to the mode or place of permitted use, or to any other matter; and
- (e) whether the permitted use is to be for a period or without limit of a period and, if for a period, the duration of that period.

(3) The registered proprietor shall furnish the Registrar with such further documents, information, or evidence as may be required by the Registrar or any regulations made under this Act.

(4) On receipt of an application for registration of a person as a registered user of a trade mark under subsection (2), the Registrar shall enter on the Register all the particulars required to be provided thereunder.

(5) Where a person has been registered as a registered user of a trade mark, the use of that trade mark by the registered user within the limits of his registration shall be deemed to be use by the registered proprietor of the trade mark to the same extent as the use of the trade mark by the registered user and shall be deemed not to be use by any other person.

(6) The provisions of subsection (5) shall cease to have effect with regard to any registered user of a trade mark —

- (a) if the trade mark ceases to be a registered trade mark for any reason;
- (b) if the goods or services for which the trade mark is registered are subsequently limited so as to exclude any or all of the goods or services in respect of which the registration of the registered user has been made;

(c) if the registered proprietor ceases to exercise control over the use of the trade mark and over the quality of the goods or services provided by the registered user concerned in relation to that trade mark;

(d) at the date of expiration of the last registration of the trade mark unless a fresh application under subsection (2) accompanies any application for renewal of the registration of that trade mark;

(e) at the date of any assignment or transmission of the registered trade mark unless and until the devolution of title is recorded on the Register in accordance with the provisions of the Trade Marks Act and the subsequent proprietor of the registered trade mark makes a fresh application under subsection (2).

(7) If the registered proprietor of a trade mark fails to exercise any of the rights conferred on him by his registration to the prejudice of any registered user of that trade mark, the registered user may apply to the court for such relief as the court may consider just, including rectification of the Register by ordering that the registered user be recorded as the registered proprietor of the trade mark, and, in any case where use of the trade mark by any person entitled to use it would be likely to deceive or cause confusion, the court may order that the trade mark shall be removed from the Register, notwithstanding the provisions of section 37.

(8) The provisions of section 62 shall apply to any proceedings under subsection (7) that might lead to any alteration or rectification of the Register.

COMMENTARY

Section 48 was amended by Act A881. Under subsection (1), any persons other than the registered proprietor may be registered as registered users of the proprietor's mark, either in respect of all goods or services or in respect of only some of the goods or services as registered only if the proprietor retains control over the use of the trade mark and the quality of the goods and services of the user. It is to be noted that the registration of users, i.e., licensees, is not mandatory.

Under subsection (5), the use of the trade mark by the registered user accrues to the registered proprietor unless the circumstances in subsection 6 applies.

The effect of subsection (7) is that, if a registered proprietor refuses to take action against third parties for infringement of the registered trade mark, the registered user may apply to court to rectify the Register to record him as the proprietor of the trade mark concerned.

Section 49. Powers to vary, extend, or cancel registration of a registered user

(1) Without prejudice to section 45, the registration of a person as a registered user —

(a) may be varied by the Registrar on the written application in the prescribed manner of the registered proprietor with respect to the goods or services for which or with respect to any conditions or restrictions subject to which the registration has effect;

(b) may be extended by the Registrar on the application in

writing of the registered proprietor for such period as the Registrar thinks fit;

(c) may be cancelled by the Registrar on the application of the registered proprietor.

(2) The Registrar may at any time cancel the registration of a person as a registered user of a trade mark for any goods or services in respect of which the trade mark is no longer registered.

(3) Any decision of the Registrar under subsection (1) or (2) is subject to appeal to the court.

COMMENTARY

A registered user agreement may be varied, renewed, or cancelled, and on application made to the Registrar to that effect, these changes are to be recorded accordingly.

Section 50. (Deleted by Act A881)

Section 51. Infringement proceedings

(1) Subject to any agreement subsisting between the registered user of a trade mark and the registered proprietor of the trade mark, the registered user is entitled to call on the registered proprietor to take proceedings for infringement of the trade mark and, if the registered proprietor refuses or neglects to do so within two months after being so called on, the registered user may institute proceedings for infringement in his own name as if he were the registered proprietor and shall make the registered proprietor a defendant.

(2) A registered proprietor so added as a defendant is not liable for costs unless he enters an appearance and takes part in the proceedings.

COMMENTARY

The registered user may institute proceedings for infringement if the proprietor refuses to do so after a period of two months of being informed of the infringement activities.

If the same is commenced, the registered proprietor will be named as a defendant.

Section 52. Registered user not to assign

This Part does not confer on the registered user of a trade mark an assignable or transmissible right to the use of that trade mark.

COMMENTARY

The registered user is not the owner or the proprietor of the trade mark and so he cannot assign it to a third party; nor will it be transmitted on his death or termination of his business. The maxim *nemo dat qui non habet* applies.

Section 53. (Deleted by Act A881)

Section 54. (Deleted by Act A881)

PART X

ASSIGNMENT AND TRANSMISSION OF TRADE MARKS

Section 55. Assignment and transmission of trade marks

(1) Subject to this section, a registered trade mark shall be as-

signable and transmissible with or without the goodwill of the business concerned in the goods or services in respect of which the trade mark is registered or in part of the goods or services.

(1A) Subsection (1) shall have effect in the case of an unregistered trade mark used in relation to any goods or services as it has effect in the case of a registered trade mark registered in respect of any goods or services if, at the time of the assignment or transmission of the unregistered trade mark, it is or was used in the same business as a registered trade mark, and if it is or was assigned or transmitted at the same time and to the same person as that registered trade mark and in respect of goods or services all of which are goods or services in relation to which the unregistered trade mark is or was used in that business and in respect of which that registered trade mark is or was assigned or transmitted.

(2) Notwithstanding subsection (1), an assignment of a registered trade mark without goodwill, whether before or after the commencement of the Trade Marks Act is invalid if the trade mark has not at any time before the assignment been in use in good faith in Malaysia by the assignor or his predecessor in title, except that this subsection does not apply where —

(a) the trade mark was registered with the intention that it shall be assignable to a body corporate yet to be formed and the trade mark has been assigned; or

(b) the trade mark was registered with the intention that a person shall be permitted to use it as a registered use and such registered user has been registered in respect of the trade mark within six months after the registration of the trade mark and has used that trade mark within that period.

(3) Notwithstanding subsections (1) and (1A), a trade mark shall be deemed not to be assignable or transmissible if, as a result of the assignment or transmission, whether under Common Law or by registration, more than one of the persons concerned would have exclusive rights to the use of an identical trade mark or to the use of trade marks so nearly resembling each other as are likely to deceive or cause confusion.

(4) Where an application is made in the prescribed manner by the registered proprietor of a trade mark who proposes to assign it or by a person who claims that a trade mark has been transmitted to him or to a predecessor in title of his since the commencement of the Trade Marks Act, the Registrar, if he is satisfied that in all circumstances the use of the trade marks in exercise of the said rights would not be contrary to the public interest, may in writing approve the assignment or transmission, and an assignment or transmission so approved shall not be deemed to be or to have been invalid under this section but this provision shall not have effect unless application for the registration under section 47 of the title of the person becoming entitled is made within six months from the date on which the approval is given or, in the case of a transmission, was made before that date.

(5) Where an assignment in respect of any goods or services of a trade mark which is, at the time of the assignment used in a business in those goods or services, is made otherwise than in connection with the goodwill of that business, the assignment shall not be deemed to have taken effect unless the assignment has been advertised in the prescribed manner and the application for the assignment without goodwill, accompanied by the advertisement, has been sent to the Registrar.

(6) Deleted by Act A881

(7) A decision of the Registrar under this section is subject to appeal to the court.

COMMENTARY

Subsection (1) was amended by Act A881 to include services. A registered trade mark can be assigned with or without goodwill of the business whether for the entire specification of the goods or services or a part thereof.

Subsection (1A) was inserted by Act A881 to include assignment and transmission of an unregistered trade mark. The section reflects the Common Law position, namely, that an unregistered trade mark can be assigned and transmitted with goodwill, and generally not without the goodwill of the business unless in very special circumstances, namely:

1. Same business, the unregistered trade mark is used in the same business as the registered trade mark;
2. Same person, both the unregistered trade mark and the registered trade mark is to be assigned to the same person; and
3. Same goods, the goods of both the unregistered and the registered trade mark must be the same.

Subsection (3) was substituted by Act A881. No assignments or transmissions are allowed if it purports to create exclusive rights in more than one person. There are no exceptions to this rule.

Subsection (5) was substituted by Act A881. An assignment without goodwill of the business must be advertised in public newspapers. There is no need to seek directions of the Registrar to publish such an advertisement.

PART XI

CERTIFICATION TRADE MARKS

Section 56. Certification trade mark

(1) A mark must be capable, in relation to any goods or services, of distinguishing in the course of trade goods or services certified by any person in respect of origin, material, mode of manufacture, quality, accuracy, or other characteristic, from goods or services not so certified shall be registrable as a certification trade mark in the Register in respect of those goods or services in the name of that person as proprietor thereof, except that a mark shall not be so registrable in the name of a person who carries on a trade in goods or services of the kind certified.

(2) In determining whether a mark is capable of distinguishing, the Registrar may have regard to the extent to which —

- (a) the mark is inherently capable of distinguishing in relation to the goods or services in question; and

(b) by reason of the use of the mark or any other circumstances, the mark is in fact capable of distinguishing in relation to the goods or services in question.

(3) Subject to paragraphs (a) and (b) of section 37, paragraphs (a)-(c) of subsection (1) of section 40, and this Part, the registration of a person as registered proprietor of a certification trade mark in respect of any goods or services shall, if valid, give to that person the exclusive right to the use of the trade mark in relation to those goods or services and, without prejudice to the generality of the foregoing section, that right shall be deemed to be infringed by any person who, not being the registered proprietor of the trade mark or a person authorized by him under the rules in that behalf using it in accordance therewith, uses a mark identical with it or so nearly resembling it as is likely to deceive or cause confusion, in the course of trade, in relation to any goods or services in respect of which it is registered and in such manner as to render the use of the mark likely to be taken either —

(a) as being use as a trade mark;

(b) in the case in which the use is use on the goods or services or in physical relation thereto or in an advertising circular, or other advertisement issued to the public, as importing a reference to some person having the right either as registered proprietor or by his authorization under the relevant rules to use the trade mark or to goods or services certified by the registered proprietor; or

(c) in a case in which the use is use at or near the place where the services are available or performed or in an advertising circular or other advertisement issued to the public, as importing a reference to a person having a right either as proprietor or as a registered user to use the trade mark or to services with the provision of which such person is connected in the course of trade.

(4) The right to the use of a certification trade mark given by registration shall be subject to any conditions, amendments, modifications, or limitations entered on the Register and shall not be deemed to be infringed by the use of any such mark in any mode, in relation to goods to be sold or otherwise traded in any place, in relation to goods to be exported to any market, in relation to services to be provided in a place, or in any circumstances to which having regard to any such conditions, amendments, modifications, or limitations, the registration does not extend.

(5) The right to the use of a certification trade mark given by registration shall not be deemed to be infringed by the use of any such mark by a person —

(a) in relation to goods certified by the registered proprietor of the trade mark if, as to those goods or a bulk of which they form part, the proprietor or another in accordance with his authorization under the relevant rules has applied the trade mark and has not subsequently removed or obliterated it;

(aa) where the registered proprietor has at any time expressly or impliedly consented to the use of the trade mark; or

(b) in relation to goods or services adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of the right given or might for the time being be so used, if the use of the mark is reasonably necessary to indicate that the goods or services are so adapted and neither the purpose nor the effect of the use of the mark is to indicate otherwise than in accordance with the fact that the goods or services are certified by the registered proprietor,

except that paragraph (a) shall not have effect in the case of use consisting of the application of any such mark to any goods or services notwithstanding that they are such goods or services as are mentioned in that paragraph, if such application is contrary to the relevant rules.

(6) Where a certification trade mark is one of two or more registered trade marks which are identical or nearly resembling each other, the use of any of those trade marks in exercise of the right to the use of that trade mark given by registration shall not be deemed to be an infringement of the right so given to the use of any other of those trade marks.

(7) An application for the registration of a trade mark under this section must be made to the Registrar in writing in the prescribed manner by the person who proposes to be registered as the proprietor thereof.

(8) The provisions of subsections (2) to (8) and subsection (10) of section 25 shall have effect in relation to an application under this section as they have effect in relation to an application under subsection (1) of that section.

(9) In dealing with an application under this section the Registrar shall have regard to the like considerations, as far as relevant, as if the application were an application under section 25, and to any other considerations relevant to applications under this section, including the desirability of securing that a certification trade mark shall comprise some indication that it is such a trade mark.

(10) An applicant for the registration of a trade mark under this section shall transmit to the Registrar draft rules for governing the use thereof, which shall include provisions as to the cases in which the proprietor is to certify goods or services and to authorize the use of the trade mark and may contain any other provisions that the Registrar may require or permit to be inserted therein (including provisions conferring a right of appeal to the Registrar against any refusal of the proprietor to certify goods or services or to authorize the use of the trade mark in accordance with the rules), and such rules, if approved, shall be deposited with the Registrar and shall be open to inspection in like manner as the Register.

(11) The Registrar shall consider the application with regard to the following matters, that is to say —

- (a) whether the applicant is competent to certify the goods or services in respect of which the mark is to be registered;
- (b) whether the draft rules are satisfactory; and
- (c) whether in all the circumstances the registrations applied for would be to the public advantage, and may either —
 - (i) refuse to accept the application; or
 - (ii) accept the application and approve the rules, either without modification and unconditionally or subject to any conditions, amendments, modifications, or limitations of the application or of the rules, which he may think requisite,

but except in the case of acceptance and approval without modification and unconditionally, the Registrar shall not decide the matter without giving to the applicant an opportunity of being heard, and the Registrar may, at the request of the applicant, consider the application before authorization to proceed with the application has been given, so that he shall be at liberty to reconsider any matter on which he has given a decision if any amendment or modification is thereafter made in the application or in the draft rules.

(12) Where an application has been accepted, the Registrar shall, as soon as may be after such acceptance, cause the application as accepted to be advertised in the prescribed manner, and section 28 shall have effect in relation to the registration of the mark as if the application had been an application under section 25 except that, in deciding under section 28, the Registrar shall have regard only to the consideration referred to in subsection (9), and a decision under section 28 in favor of the applicant shall be conditional on the determination in his favor by the Registrar under subsection (13) of any opposition relating to any of the matters referred to in subsection (11).

(13) When notice of opposition is given relating to any of the matters referred to in subsection (11), the Registrar shall, after hearing the parties, if so required, and considering any evidence, decide whether, and subject to what conditions, amendments, modifications, or limitations of the application or of the rules, if any, registration is, having regard to those matters, to be permitted.

(14) (a) The rules deposited in respect of a certification trade mark may, on the application of the registered proprietor, be altered by the Registrar.

(b) The Registrar may cause an application for his consent to be advertised in any case where it appears to him that it is expedient to do so and, where the Registrar causes an application to be advertised, if within the prescribed time from the date of the advertisement any person gives notice to the Registrar of opposition to the application, the Registrar shall not decide the matter without giving the parties an opportunity of being heard.

(15) The court may, on the application in the prescribed manner of any person aggrieved, or on the application of the Registrar,

make such order as it thinks fit for expunging or varying any entry in the Register, relating to a certification trade mark, or for varying the deposited rules, on the ground —

(a) that the registered proprietor is no longer competent, in the case of any of the goods or services in respect of which the trade mark is registered, to certify the goods or services;

(b) that the registered proprietor has failed to observe a provision of the deposited rules to be observed on his part;

(c) that it is no longer to the public advantage that the trade mark should be registered; or

(d) that it is requisite for the public advantage that, if the trade mark remains registered, the rules should be varied,

but the court shall not have any jurisdiction to make an order under section 45 on any of these grounds.

(16) The Registrar shall rectify the Register and the deposited rules in such manner as may be requisite for giving effect to an order made under subsection (15).

(17) Notwithstanding anything in subsection (2) of section 63, the Registrar shall not have any jurisdiction to award costs to or against any party on an appeal to him against a refusal of the registered proprietor of a certification trade mark to certify goods or services or to authorize the use of the trade mark.

(18) *Deleted*

(19) The provisions of this Part shall be construed subject to section 19 of the Standards Act 1966.

COMMENTARY

Section 56 provides for the registration and enforcement of certification marks. Unlike traditional trade marks, certification marks are used to indicate that the certified goods or services have a particular characteristic, including in relation to quality, accuracy, origin, material, or mode of manufacture, and are certified by a person. It is important to note that certification trade marks are not collective trade marks, although there may be some overlap in regards to both.

Generally, section 56 has been amended by Act A881 to include references to services. Under subsection (1), a certification trade mark is to be registered in the Register in favor of a person who is not dealing in the goods or services of the kind as specified.

Under subsection (2), a certification trade mark also should be distinctive. Subsection (3) provides that the proprietor of a certification trade mark will be able to commence an infringement action against any other person using the same or similar mark either as a trade/service mark or certification mark.

Under subsection (4), as with a trade mark, the Registrar may limit or curtail the right to use a certification trade mark by imposing conditions, amendments, modifications, or limitations.

Under subsection (10), the draft rules governing the use of certification trade marks must be deposited with the Registry and shall be open for public inspection. It is mandatory for the rules to include a provision regarding the cases in which the goods or services are to be certified, and the Registry may impose other rules as and where it sees fit.

As provided by subsection (13), unlike oppositions against trade mark applications, an opposition to a certification trade mark may be either against the mark itself or against the applicant being competent to certify the goods, the draft regulations, or whether the registration applied for is for public advantage. However, the procedure governing opposition proceedings for trade marks applies generally to certification trade marks.

Under subsection (15), the power by the High Court to order rectification to expunge a certification trade mark or to vary the rules is discretionary.

PART XII

DEFENSIVE TRADE MARKS

Section 57. Defensive registration of well-known trade marks

(1) Where a trade mark consisting of an invented word or words has become so well known as regards any goods or services in respect of which it is registered and, in relation to which it has been used, that the use thereof in relation to other goods or services would likely to be taken as indicating a connection in the course of trade between the other goods or services and a person entitled to use the trade mark in relation to the first-mentioned goods or services, then, notwithstanding that the proprietor registered in respect of the first-mentioned goods or services does not use or propose to use the trade mark in relation to the other goods or services and notwithstanding anything in section 46, the trade mark may, on the application in a prescribed manner of the proprietor registered in respect of the first-mentioned goods or services, be registered in his name in respect of the other goods or services as a defensive trade mark and, while so registered, shall not be liable to be taken off the Register in respect of other goods or services under section 46.

(2) The registered proprietor of a trade mark may apply for the registration thereof in respect of any goods or services as a defensive trade mark notwithstanding that it is already registered in his name in respect of the goods or services otherwise than as a defensive trade mark, or may apply for the registration thereof in respect of any goods or services otherwise than as a defensive trade mark notwithstanding that it is already registered in his name in respect of the goods or services as a defensive trade mark, in lieu in each case of the existing registration.

COMMENTARY

Under subsection (1), the essential feature of a defensive trade mark is the absence of the requirement of an intention to use it for the goods or services applied for. A trade mark having the following characteristics may be registered as a defensive trade mark:

1. The mark is wholly invented;
2. The mark is well known;
3. The mark is already registered in one or more classes; and
4. The mark has been used quite extensively in Malaysia in respect of the goods or services so registered.

The purpose of a defensive trade mark is to avoid a confusion in the market as regards the source of origin of the other goods or services.

Subsection (2) provides that a defensive trade mark also may be registered as an ordinary trade mark in respect of any goods for which the defensive trade mark is covered for, or *vice versa*.

Section 58. Defensive trade mark deemed to be associated trade mark

A trade mark registered as a defensive trade mark and that trade mark as otherwise registered in the name of the same proprietor shall, notwithstanding that the respective registrations are in respect of different goods or services, be deemed to be, and shall be registered as, associated trade marks.

COMMENTARY

Generally, this is in relation to the same or similar trade marks as associated with each other in respect of similar goods or services of the same description in regards to the same proprietor.

Defensive trade marks shall be deemed and registered as associated trade marks of the same proprietor even in respect of different goods or services.

Section 59. Rectification of the Register

The Registrar may, at any time, cancel the registration of a defensive trade mark of which there is no longer any registration in the name of the same proprietor otherwise than as a defensive trade mark.

COMMENTARY

Section 59 confirms that a prior registration is a condition precedent to a defensive registration.

Thus, when the original registration is no longer on the Register, the Registrar may cancel the defensive registration at any time *suo motu*.

Section 60. Application of Act

Subject to this Part, the Trade Marks Act applies in relation to the registration of a trade mark as a defensive trade mark and a trade mark registered as a defensive trade mark, but it is not necessary for the registered proprietor of a defensive trade mark to prove use of the trade mark for the purpose of obtaining renewal of the registration.

COMMENTARY

The application of section 60 will be subject to the other provisions of the Trade Marks Act, except as expressly provided therein.

PART XIII

LEGAL PROCEEDINGS, COST, AND EVIDENCE

Section 61. Certification of validity

In any legal proceedings in which the validity of a registered trade mark comes into question and is decided in favor of the registered proprietor of the trade mark, the court may certify to that effect and, if it so certifies, then in any subsequent legal proceedings in which the validity of the registration comes into question the registered proprietor of the trade mark on obtaining a final order or judgment in his favor shall have his full costs, charges, and expenses as between solicitor and client, unless in the subsequent proceedings the court certifies that he ought not to have them.

COMMENTARY

If the validity of a registered trade mark is challenged in the High Court

and the registered proprietor is successful in resisting the challenge, he may obtain a certificate from the High Court to that effect for making this issue *res judicata* insofar as subsequent legal proceedings are concerned, unless the issue and basis of rectification subsequently is entirely different from the previous proceedings.

Section 62. Hearing of Registrar

(1) In any legal proceedings in which the relief sought includes alteration or rectification of the Register, the Registrar shall have the right to appear and be heard, and shall appear if so directed by the court.

(2) Unless otherwise directed by the court, the Registrar, in lieu of appearing and being heard, may submit to the court a statement in writing signed by him, giving particulars of the proceedings before him in relation to the matter in issue or to the grounds of any decision given by him affecting the same or to the practice of the office in like cases, or to such other matters relevant to the issues and, within his knowledge as Registrar, as he thinks fit, and such statement shall be deemed to form part of the evidence in the proceedings.

COMMENTARY

The Registrar of Trade Marks has a right to appear in the High Court in any action concerning a trade mark, whether registered or otherwise if one of the remedies sought in the said action affects an entry on the Register to clarify the practice of the Registry.

In practice, this means that it is mandatory to serve all cause papers in relation to such matters on the Registrar, and it is usual for the Registrar to be represented by the Attorney General's Chambers thereafter.

It also is common for the Registrar not to appear in court and, almost inevitably the Registrar shall give his evidence in the form of sworn affidavits. If it is necessary for the Registrar to be cross-examined on the evidence he gave, the Registrar may be called to the stand for this purpose.

Section 63. Cost

(1) In all proceedings before the court under the Trade Marks Act, the court may award to any party such costs as it may consider reasonable and the costs as it may consider reasonable, and the costs of the Registrar shall be in the discretion of the court, but the Registrar shall not be ordered to pay the costs of any of the other parties.

(2) In all proceedings before the Registrar under the Trade Marks Act, the Registrar shall have power to award to any party such costs as he may consider reasonable and to direct how and by what parties they are to be paid, and any such order may, by leave of the court, be enforced in the same manner as a judgment or order of the court to the same effect.

COMMENTARY

Under subsection (1), in the matter of awarding costs, the High Court has discretion to award costs to any party and to the Registrar.

The section safeguards the fiduciary position of the Registrar as a public official interested in keeping the purity of the Register intact; hence, he should not be ordered to pay costs of any of the parties regardless of the decision of the High Court.

Subsection (2) allows the Registrar to award costs against any party appearing in any proceeding before him. In practice, costs allowed are very limited.

Section 64. Mode of giving evidence

(1) In all proceedings before the Registrar under the Trade Marks Act, the evidence shall be given by statutory declaration in the absence of directions to the contrary, but, in any case in which he thinks fit, the Registrar may take evidence *viva voce in lieu* of or in addition to evidence by declaration.

(2) Any such statutory declaration may, in the case of appeal, be used before the court in lieu of evidence by affidavit but, if so used, shall have all the incidents and consequences of evidence by affidavit.

(3) In any action or proceedings relating to a trade mark or trade name, the Registrar or the court, as the case may be, shall admit evidence of the usages of the trade concerned or evidence of business usages in the provision of the services in question, and evidence of any relevant trade marks or trade name or business name or get-up legitimately used by other persons.

COMMENTARY

Under subsection (1) and (2), all evidence before the Registrar must be in the form of Statutory Declarations, which shall for purposes of appeal be treated as if they are affidavits. The Registrar also has the power to take oral evidence, although this is rarely the case.

Under subsection (3), trade usage is the focus of this subsection. A trade mark is said to be common to the trade when it becomes *publici juris*.

Section 65. Sealed copies to be evidence

(1) Printed or written copies or extracts of or from the Register purporting to be certified by the Registrar and sealed with his seal shall be admissible as evidence in any proceedings before any court of law without further proof or production of the originals.

(2) A certificate purporting to be under the hand of the Registrar as to any act which he is authorized under the Trade Marks Act to perform and which he has or has not performed, as the case may be, shall be *prima facie* evidence in any proceedings before any court of law of his having or not having performed the act.

Commentary

Under subsection (1), in any court proceedings, the production of certified and sealed copies of registration of trade marks by the Registrar will be admissible as evidence. There is no need to further prove the authenticity of such secondary evidence as required by the general rules of evidence by the production of originals.

Under subsection (2), other than registrations, other entries of the Register also may be certified in writing by the Registrar in writing, and these certified copies will be admitted in evidence without the requirement of producing the original.

Section 66. Minister may declare documents of foreign state pertaining to trade marks to be admissible

(1) The Minister may by order published in the *Gazette* declare

any documents or class of documents of a foreign state to be admissible as evidence in any proceedings before a court if —

(a) the document is sealed with the seal of the authorized officer or the government of the foreign state and the seal pertains to the trade marks registered in or otherwise recognized by the foreign country or, if there is no such seal, there is enclosed a certificate signed by the authorized officer to the effect that the document is evidence of the matter contained therein; and

(b) the foreign state or part thereof has entered into reciprocal arrangements with the government of Malaysia in respect of the admissibility of the documents.

(2) For the purpose of this section —

– “Authorized officer” means a person or authority authorized by the government of the foreign state to keep and maintain a register or other record of trade marks under any written law in force in the foreign state relating to trade marks;

– “Document” means —

(a) a printed or written copy of extract or other record of trade marks kept and maintained in the foreign state under any written law in force in the foreign state relating to trade marks; or

(b) any other document pertaining to any matter or act in relation to trade marks registered in or otherwise recognized by the foreign state as trade marks;

– “Trade mark” means any device, brand, heading, label, ticket, name, signature, word, letter, numeral, or any combination thereof which is used or proposed to be used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services and a person having the right either as proprietor or as registered user to use the trade mark (in the foreign state), whether with or without any indication of the identity of that person, and which is registered or otherwise recognized by the foreign state as a trade mark (under any written law in force in the foreign state relating to trade marks), but does not include the trade marks of another foreign state registered in or otherwise recognized by the foreign state by virtue of a reciprocal arrangement between the foreign state and that other foreign state.

(3) For avoidance of doubt, this section shall not be construed to confer recognition of the trade marks of any foreign state for the purpose of registration under the Trade Marks Act, but shall be construed only with references to the admissibility of evidence in any proceedings before a Court of the documents of the foreign state.

Section. 67. Discretionary power

In any appeal from the decision of the Registrar under the Trade

Marks Act, the court shall have and exercise the same discretionary powers as are conferred on the Registrar under the Trade Marks Act.

COMMENTARY

In any appeal, the court shall have the same discretionary powers as the Registrar.

Section 68. (Deleted by Act A881)

Section 69. Appeal from Registrar

Except where expressly given by the provisions of the Trade Marks Act or regulations made thereunder, there shall be no appeal from a decision of the Registrar, but the court, in dealing with any question of the rectification of the Register (including all applications under section 45), shall have power to review any decision of the Registrar relating to the entry in question or the correction sought to be made.

COMMENTARY

An appeal from the decision of the Registrar is by way of originating a motion to the High Court which should state the grounds of appeal.

The appeal must be lodged within one month from the date on which the Registrar's decision was given. An appeal to the court is only provided for under the following sections of the Trade Marks Act:

1. Sections 12(1) and (2);
2. Sections 22(2) and (3);
3. Sections 25(3) and (5);
4. Sections 28(4) and (5);
5. Section 43;
6. Section 44;
7. Sections 47(1) and (2);
8. Section 54;
9. Section 55; and
10. Sections 74(1) and (3).

PART XIV

CONVENTIONS AND INTERNATIONAL ARRANGEMENTS

Section 70. Right of priority under Convention, etc.

(1) Where any person has applied for protection of any trade mark in a Convention country or prescribed foreign country, such person or his legal representative or assignee, after furnishing a declaration within the prescribed time indicating the date of the application and the country in which it was made, shall, in respect of the application for registration of his trade mark, be entitled to a right of priority, and such application in Malaysia shall have the same date as the date of the application for protection in the Convention country or prescribed foreign country concerned, as the case may be, subject to the following:

(a) that the application for registration is made within six months from the date of application for protection in the Convention country or prescribed foreign country concerned, as the case may be and, where an application for protection is made in more

than one Convention country or prescribed foreign country, the period of six months referred to herein shall be reckoned from the date on which the earlier or earliest of those applications is made;

(b) that the applicant shall be either a national or resident of, or a body corporate incorporated under the laws of, the Convention country or prescribed foreign country concerned, as the case may be; and

(c) that nothing in this section shall entitle the proprietor of a trade mark to recover damages for infringements or any happening prior to the date on which the application for protection of the trade mark is made in Malaysia.

(2) Notwithstanding any other provision of the Trade Marks Act, the registration of a trade mark in respect of which a right of priority exists shall not be refused or revoked by reason only of use of the trade mark by some other person in Malaysia during the said period of six months.

(3) The application for the registration of a trade mark in respect of which a right of priority exists —

(a) shall be made and dealt with in the same manner as an ordinary application for registration under the Trade Marks Act; and

(b) shall specify the Convention country or prescribed foreign country, as the case may be, in which the application for protection, or the first such application, was made and the date on which such application for protection was made.

(4) As regards prescribed foreign countries, this section shall apply only for the duration of the period the order continues in force in respect of that country.

(5) For the purposes of the Trade Marks Act, the Minister may, by order published in the *Gazette*, declare a country as having made arrangements with Malaysia for the reciprocal protection of trade marks.

COMMENTARY

Section 70 was substituted by Act A881. Another aim of Act A881 was to recognize and give effect to the provisions in the Paris Convention to which Malaysia is a signatory concerning priority applications.

Pursuant to section 70, a person who has applied for registration of a trade mark in a Convention country may, within six months of the initial filing, lodge a trade mark application in Malaysia for similar protection. On grant of the Malaysian mark, the period of registration shall be back dated and calculated from the date of the initial filing in the Convention country and not the actual date of filing of the Malaysian trade mark application.

Section 70A. Temporary protection of trade marks in respect of goods or services which are the subject matters of international exhibitions

(1) Notwithstanding anything in the Trade Marks Act, temporary protection shall be granted to a trade mark in respect of goods or

services which are the subject matters of an exhibition at an official or officially recognized international exhibition held in Malaysia or in any Convention country or prescribed foreign country.

(2) The temporary protection granted under subsection (1) shall not extend any period of priority claimed by an applicant and, where a right of priority is claimed by an applicant subsequent to the temporary protection, the period of priority shall remain six months, but the period shall commence from the date of the introduction of the goods or services into the exhibition.

(3) An applicant for registration of a trade mark whose goods or services are the subject matters of an exhibition at an official or officially recognized international exhibition in Malaysia or in any Convention country or prescribed foreign country and who applies for registration of that mark in Malaysia within six months from the date on which the goods or services first became the subject matters of the exhibition shall, on his request, be deemed to have applied for registration on the date on which the goods or services first became the subject matters of the exhibition.

(4) Evidence that the goods or services bearing the trade mark are the subject matters of an exhibition at an official or officially recognized international exhibition shall be by a certificate issued by the competent authorities of the exhibition.

Commentary

Section 70A was inserted by Act A881. This is a new provision introduced for the protection of trade marks which have been used in respect of goods and services at officially recognized exhibitions in Malaysia or in any Convention country.

If there is an application for registration of the said trade mark in Malaysia within six months of the date of the exhibition, the application is for all intents and purposes treated like a priority application. When the mark attains registration, the period of registration will commence from the date of the exhibition.

Section 70B. Protection of well-known trade marks

(1) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the TRIPS Agreement as a well-known trade mark is entitled to restrain by injunction the use in Malaysia in the course of trade and without the proprietor's consent of the trade mark which, or the essential part of which, is identical with or nearly resembles the proprietor's mark, in respect of the same goods or services, where the use is likely to deceive or cause confusion.

(2) Nothing in subsection (1) shall affect the continuation of any *bona fide* use of a trade mark begun before the commencement of this Act.

(3) In this section, references to a trade mark which is entitled to protection under article 6 *bis* of the Paris Convention or article 16 of the TRIPS Agreement as a well-known trade mark are to a mark which is well-known in Malaysia as being the mark of a person whether or not that person carries on business, or has any goodwill,

in Malaysia, and references to the proprietor of such a mark shall be construed accordingly.

COMMENTARY

Act A1078 inserted this new section for the purpose of protecting well-known marks in line with article 16 of the TRIPS Agreement.

PART XIVA

BORDER MEASURES

Section 70C. Interpretation

In this Part, unless the context otherwise requires —

“authorized officer” means —

(a) a proper officer of customs as defined under the Customs Act 1967; or

(b) any public officer or any person in the employment of the Corporation appointed by the Minister by notification in the Gazette to exercise the powers and perform the duties conferred and imposed on an authorized officer by this Part;

“counterfeit trade mark goods” means any goods, including packaging, bearing without authorization a trade mark which is identical with or so nearly resembles the trade mark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trade mark, and which infringes the rights of the proprietor of the trade mark under this Act;

“goods in transit” means goods imported, whether or not landed or transhipped within Malaysia, which are to be carried to another country either by the same or another conveyance;

“import” means to bring or cause to be brought into Malaysia by whatever means;

“retention period”, in relation to seized goods, means —

(a) the period specified in a notice given under section 70G in respect of the goods; or

(b) if the period has been extended under section 70G that period so extended;

“security” means any sum of money in cash;

“seized goods” means goods seized under section 70D.

Section 70D. Restriction on importation of counterfeit trade mark goods

(1) Any person may submit an application to the Registrar, stating —

(a) that he is the proprietor of a registered trade mark or an agent of the proprietor having the power to submit such application;

(b) that, at a time and place specified in the application, goods

which, in relation to the registered trade mark, are counterfeit trade mark goods are expected to be imported for the purpose of trade; and

(c) that he objects to such importation.

(2) An application under subsection (1) shall be supported by such documents and information relating to the goods as to enable them to be identified by the authorized officer, and accompanied by such fee as may be prescribed.

(3) On receipt of the application under subsection (1), the Registrar shall determine the application, and the Registrar shall within a reasonable period inform the applicant whether the application has been approved.

(4) In determining the reasonable period under subsection (3), the Registrar shall take into consideration all relevant circumstances of the case.

(5) An approval under subsection (3) shall remain in force until the end of the period sixty days commencing on the day on which the approval was given, unless it is withdrawn before the end of that period by the applicant by giving a notice in writing to the Registrar.

(6) Where an approval has been given under this section and has not lapsed or been withdrawn, the importation of any counterfeit trade mark goods into Malaysia for the duration of the period specified in the approval shall be prohibited.

(7) On giving this approval under subsection (3) the Registrar shall immediately take the necessary measures to notify the authorised officer.

(8) Where an authorised officer has been notified by the Registrar, he shall take the necessary action to prohibit any person from importing goods identified in the notice, not being goods in transit, and shall seize and detain the identified goods.

Section 70E. Security

(1) The Registrar shall, on giving his approval under section 70D, require the applicant to deposit with the Registrar a security which in the opinion of the Registrar is sufficient to —

(a) reimburse the Registrar for any liability or expense it is likely to incur as a result of the seizure of the goods;

(b) prevent abuse and to protect the importer; or

(c) pay such compensation as may be ordered by the court under this Part.

Section 70F. Secure storage of seized goods

(1) Seized goods shall be taken to such secure place as the Registrar may direct or as the authorized officer deems fit.

(2) If it is stored on the direction of the authorized officer, shall inform the Registrar of the whereabouts of the seized goods.

Section 70G. Notice

(1) As soon as is reasonably practicable after goods are seized under section 70D, the authorized officer shall give to the Registrar, the importer, and the applicant, either personally or by registered post, a written notice identifying the goods, stating that they have been seized and the whereabouts of the goods.

(2) A notice under subsection (1) shall also state that the goods will be released to the importer unless an action for infringement in respect of the goods is instituted by the applicant within a specified period from the date of the notice.

(3) If at the time of the receipt of the notice an action for infringement has been instituted by the applicant, the applicant shall notify the Registrar of that fact.

(4) The applicant may, by written notice given to the Registrar before the end of the period specified in the notice (the initial period), request that the period be extended.

(5) Subject to subsection (6), if —

(a) a request is made in accordance with subsection (4); and

(b) the Registrar is satisfied that it is reasonable that the request be granted, the Registrar may extend the initial period.

(6) A decision on a request made in accordance with subsection (4) shall be made within two working days after the request is made, but such a decision cannot be made after the end of the initial period to which the request relates.

Section 70H. Inspection, release, etc., of seized goods

(1) The Registrar may permit the applicant or the importer to inspect the seized goods if he agrees to give the requisite undertakings.

(2) The requisite undertakings mentioned in subsection (1) are undertakings in writing that the person giving the undertakings will —

(a) return the sample of the seized goods to the Registrar at a specified time that is satisfactory to the Registrar; and

(b) take reasonable care to prevent damage to the sample.

(3) If the applicant gives the requisite undertakings, the Registrar may permit the applicant to remove a sample of the seized goods from the custody of the Registrar for inspection by the applicant.

(4) If the importer gives the requisite undertakings, the Registrar may permit the importer to remove a sample of the seized goods from the custody of the Registrar for inspection by the importer.

(5) If the Registrar permits inspection of the seized goods, or the removal of a sample of the seized goods, by the applicant in accordance with this section, the Registrar is not liable to the importer for any loss or damage suffered by the importer arising out of —

(a) damage to any of the seized goods incurred during that inspection; or

(b) anything done by the applicant or any other person to, or in relation to, a sample removed from the custody of the Registrar or any use made by the applicant or any other person of such a sample.

Section 70I. Forfeiture of seized goods

(1) Subject to subsection (2), the importer may, by written notice to the Registrar, consent to the seized goods being forfeited.

(2) The notice shall be given before any action for infringement in relation to the seized goods is instituted.

(3) If the importer gives such a notice, the seized goods are forfeited and shall be disposed of in the manner prescribed by regulations made under this Part.

Section 70J. Compulsory release of seized goods to importer

(1) The Registrar shall release the seized goods to the importer on the expiration of the retention period for the goods if the applicant —

(a) has not instituted an action for infringement in relation to the goods; and

(b) has not given written notice to the Registrar stating that the action for infringement has been instituted.

(2) If —

(a) an action for infringement has been instituted in relation to the seized goods; and

(b) at the end of a period of thirty days commencing on the day on which the action for infringement was instituted, there is not in force an order of the court in which the action was instituted preventing the release of the goods,

the Registrar shall release the goods to the importer.

(3) If the applicant gives written notice to the Registrar stating that he consents to the release of the seized goods, the Registrar shall release the goods to the importer.

Section 70K. Compensation for failure to take action

(1) Where goods have been seized pursuant to a notice given under section 70D and the applicant fails to take action for infringement within the retention period, a person aggrieved by such seizure may apply to the court for an order of compensation against the applicant.

(2) Where the court is satisfied that the person aggrieved had suffered loss or damage as a result of the seizure of the goods, the court may order the applicant to pay compensation in such amount as the court thinks fit to the aggrieved person.

Section 70L. Actions for infringement of registered trade mark

(1) If an action for infringement has been instituted by the ap-

plicant, the court may in addition to any relief that may be granted

(a) order that the seized goods be released to the importer subject to such conditions, if any, as the court thinks fit;

(b) order that the seized goods be not released to the importer before the end of a specified period; or

(c) order that the seized goods be forfeited, depending on the circumstances of the case.

(2) The Registrar or the authorized officer is entitled to be heard on the hearing of an action for infringement.

(3) A court may not make an order under paragraph (1) (a) if it is satisfied that the Registrar or any statutory authority is required or permitted under any other law to retain control of the seized goods.

(4) The Registrar shall comply with an order made under subsection (1).

(5) If —

(a) the action is dismissed or discontinued, or if the court decides that the relevant registered trade mark was not infringed by the importation of the seized goods; and

(b) a defendant to the action for infringement satisfies the court that he has suffered loss or damage as a result of the seizure of the goods,

the court may order the applicant to pay compensation in such amount as the court thinks fit to the defendant.

Section 70M. Disposal of seized goods ordered to be forfeited

If the court orders that seized goods are to be forfeited, the goods shall be disposed of in the manner as directed by the court.

Section 70N. Insufficient security

(1) If the reasonable expenses incurred by the Registrar in relation to any action taken by the Registrar under this Part, or taken in accordance with an order of court under this Part, exceed the amount of security deposited under section 70E, the amount of the excess is a debt due to the Registrar.

(2) The debt created by subsection (1) is due by the applicant, or, if there are two or more applicants, by the applicants jointly and severally.

Section 70O. Ex officio action

(1) Any authorized officer may detain or suspend the release of goods which, based on *prima facie* evidence that he has acquired, are counterfeit trade mark goods.

(2) Where such goods have been detained, the authorized officer

(a) shall inform the Registrar, the importer and the proprietor of the trade mark; and

(b) may, at any time, seek from the proprietor of the trade mark any information that may assist him to exercise his powers.

(3) Subject to section 70J, an importer may lodge an appeal against the detention of goods or suspension of the release of goods under subsection (1).

(4) The authorised officer shall only be exempted from liability if his actions under subsection (1) are done in good faith.

Section 70P. Regulations relating to border measures

(1) The Minister may make such regulations as may be necessary or expedient for the purpose of this Part.

(2) Without prejudice to the generality of subsection (1), regulations may be made for —

(a) prescribing and imposing fees and providing for the manner for collecting such fees;

(b) prescribing forms and notices;

(c) providing for the manner for depositing security;

(d) prescribing anything required to be prescribed under this Part.

COMMENTARY

Part XIVA was inserted by Act A1078 to bring Malaysia into line with section 4 of the TRIPS Agreement.

It contains elaborate provisions on border measures. In regard to restriction of importation of “counterfeit trade mark goods”, any trade mark proprietor can make an application to the Registrar to restrict the importation of “counterfeit trade mark goods”.

On giving the approval the Registrar shall immediately take steps to notify the “authorized officer” which would generally mean a Customs officer or any officer appointed by the Minister by notification in the *Gazette* to exercise the power and perform the duties conferred and imposed on an authorized officer.

The authorized officer shall take steps to prohibit any person from importing goods identified in the notice, not being goods in transit, and shall seize and detain the identified goods.

PART XV

MISCELLANEOUS

Section 71. Use of trade mark for export trade

(1) The application in Malaysia of a trade mark to goods to be exported from Malaysia and any other act done in Malaysia in relation to the goods which if done in relation to goods to be sold or otherwise traded in Malaysia would constitute use of a trade mark in Malaysia shall for the purpose of the Trade Marks Act be deemed to constitute use of the trade mark in relation to those goods.

(2) Subsection (1) shall be deemed to have had effect in relation to an act done before the date of the commencement of the Trade Marks Act as it has effect in relation to an act done after that date, but does not affect a determination of a Court which has been made before that date or the determination of an appeal from a determination so made.

COMMENTARY

Section 71 makes clear that any act done in Malaysia in relation to goods and services which are to be exported from Malaysia is, in terms of what constitutes use of the trade mark, on equal footing with actions taken in relation to goods and services which are to be dealt with or provided within Malaysia.

Section 72. Use of trade mark where form of trade changes

The use of a registered trade mark in relation to goods or services where a form of connection in the course of trade subsists between the goods or services and the person using the trade mark shall not be deemed to be likely to cause deception or confusion only on the ground that the trade mark has been or is used in relation to goods or services, where a different form of connection in the course of trade subsisted or subsists between the goods or services and that person or a predecessor in title of that person.

Section 73. Preliminary advice by the Registrar

(1) The power to give to a person who proposes to apply for the registration of a trade mark in the Register advice as to whether the trade mark appears to the Registrar *prima facie* to be capable of distinguishing shall be a function of the Registrar under this Act.

(2) Any person who is desirous of obtaining the advice shall make application to the Registrar in the prescribed manner.

(3) Where an application for the registration of a trade mark is made within three months after the Registrar has given advice in the affirmative and the Registrar, after further investigation or consideration, gives notice to the applicant of objection on the ground that the trade mark is not capable of distinguishing the applicant shall be entitled, on giving notice of withdrawal of the application within the prescribed period, to have any fee paid on the filing of the application repaid to him.

COMMENTARY

Under subsection (1), a prospective applicant for the registration of a trade mark may apply to the Registrar in the prescribed manner for his advice as to whether the mark appears to him *prima facie* to be inherently adapted to distinguish or capable of distinguishing as the case may be.

Under subsection (3), if the Registrar under subsection (1) expresses his opinion in the affirmative and the applicant acts on the advice so rendered by filing for the application, and the Registrar subsequently chooses to change his view, which he is entitled to do so, the applicant is entitled to withdraw the application and obtain a full refund of the filing fees paid.

Section 74. Powers of Registrar to amend document

(1) The Registrar may, on such terms as to costs as he thinks just, whether for the purpose of correcting a clerical error or an obvious mistake, permit the correction of an application for the registration of a trade mark or notice of opposition or other document submitted at any trade marks office.

(2) An amendment of an application shall not be permitted under this section if the amendment would substantially affect the identity of the trade mark as specified in the application before amendment.

(3) A decision of the Registrar under subsection (1) is subject to appeal to the court.

COMMENTARY

Under section 74, the Registrar has power to permit any document filed with the Registry to be amended and to excuse any irregularity in procedure if it is not detrimental to the interests of any person.

The amendment, however, is prohibited if it materially affects the identity of the trade mark specified in the original application.

Section 75. Other powers of Registrar

- (1) The Registrar may, for the purpose of the Trade Marks Act —
- (a) summon witnesses;
 - (b) receive evidence on oath;
 - (c) require the production of a document or article; and
 - (d) award costs as against a party to proceedings before him.

(2) Any person who, without any lawful excuse, fails to comply with any summons, order, or direction made by the Registrar under paragraphs (a), (b) and (c) of subsection (1) is deemed to have committed an offense and is liable, on conviction, to a fine not exceeding R1,000, or to a term of imprisonment not exceeding three months, or to both.

(3) Costs awarded by the Registrar may in default of payment be recovered in a court of competent jurisdiction as a debt due by the person against whom the costs were accorded to the person in whose favor they were accorded.

COMMENTARY

Under subsection (1), in some ways, the Registrar appears to have the powers of a civil court for the purposes outlined in this subsection.

Under subsection (3), the Registrar may award costs and, if not paid up, execution proceedings may be initiated for realization of such sums, which shall be treated as debts.

Section 76. Exercise of discretionary power

Where any discretionary power is given to the Registrar by the Trade Marks Act or by any regulations made thereunder, he shall not exercise that power adversely to the applicant for registration or the registered proprietor in question without (if duly required to do so within the prescribed time) giving to the applicant an opportunity of being heard.

COMMENTARY

In the exercise of all discretionary powers vested in him, the Registrar shall conform to the rules of natural justice, and he must give the party to be adversely affected an opportunity of being heard if such party requires within the prescribed time.

Where there is no material justifying the Registrar's exercising his discretion against the applicant or the registered proprietor, as the case may be, the High Court, on appeal, will in all likelihood interfere with the decision.

Section 77. Extension of time

- (1) Where, by this Act or any regulations made thereunder, a

time is specified within which an act or thing is to be done, the Registrar may, unless otherwise expressly provided or directed by the court, on application in the prescribed manner, extend the time either before or after its expiration on payment of the prescribed fee.

(2) Subsection (1) shall not apply to section 29, subsection (3) of section 31, section 70, and section 70A except where the circumstances mentioned in section 78 apply.

COMMENTARY

Section 77 was substituted by Act A881. Section 77 empowers the Registrar to extend time for doing any act, whether the time specified for doing such act has expired or otherwise. In the past, applications for extensions of time need not be accompanied by any payment.

However, Act A881 imposes a fee each time an application for an extension of time is made, and the rationale is to deter applicants from seeking extensions of time unless absolutely necessary.

Section 78. Extension of time by reason of error in trade marks office etc.

(1) Where by reason of —

(a) circumstances beyond the control of the person concerned;
or

(b) an error or action on the part of the Central Trade Marks Office or any trade marks office,

an act in relation to an application for the registration of a trade mark or in proceedings under the Trade Marks Act (not being proceedings in a court) required to be done within a certain time has not been so done, the Registrar may extend the time for doing the act.

(2) The time required for doing an act may be extended under this section although that time has expired.

COMMENTARY

Unlike section 77, applications for extensions of time under this section need not be accompanied by the payment of the prescribed fee. However, the section contemplates only two scenarios which may justify such an extension, namely:

- 1. There are circumstances beyond the control of the person concerned which is a *force majeure* provision; and**
- 2. There is an error or omission by the Registry.**

Section 79. Address for service

(1) Where an applicant for the registration of a trade mark does not reside or carry on business in Malaysia, he shall give to the Registrar an address for service in Malaysia which shall be the address of his agent and, if he fails to do so, the Registrar may refuse to proceed with the application.

(2) An address for service stated in the application or a notice of opposition shall, for the purposes of the application or notice of opposition, be deemed to be the address of the applicant or opponent, as the case may be, and all documents in relation to the application or notice of opposition may be served by leaving them at, or sending

them by post to, the address for service of the applicant or opponent, as the case may be.

(3) An address for service may be changed by notice in writing to the Registrar.

(4) Subject to subsection (1), the registered proprietor of a trade mark shall from time to time notify the Registrar in writing of any change in the Register, and the Registrar shall alter the Register accordingly.

(5) The address of the registered proprietor of a trade mark as appearing for the time being in the Register shall for all purposes under this Act be deemed to be the address of the registered proprietor.

COMMENTARY

The address of service of an applicant will be as stated by that person unless he notified the Registrar in writing of a change in the address.

Subsection (1) was substituted by Act A881. Previously, a foreign applicant could file applications himself so long as he was able to furnish the Registrar with a local address of service. Now, a foreign applicant who does not reside nor carry on business in Malaysia may only lodge trade mark applications through local trade mark agents.

Section 80. Agent

(1) Where an applicant for registration of a trade mark does not reside or carry on business in Malaysia, he shall appoint an agent to act for him.

(2) Where, by the Trade Marks Act, any act must be done by or to any person in connection with a trade mark or proposed trade mark or any procedure relating thereto, the act may, under and in accordance with this Act and any regulations made thereunder or in particular cases by special leave of the Registrar, be done by or to an agent of that person duly authorized in the prescribed manner.

(3) No person, firm, or company shall be authorized to act as an agent for the purposes of the Trade Marks Act unless that person is domiciled or resident in Malaysia or the firm or company is constituted under the laws of Malaysia, and such person, firm, or company carries on business or practice principally in Malaysia.

COMMENTARY

Section 80 was substituted by Act A881. Subsection (1) and (2) confirm that a foreign applicant must appoint a local trade mark agent to act for him. The local trade mark agent is empowered to do any act prescribed for and on behalf of the applicant. This includes, *inter alia*, signing all forms on the applicant's behalf.

Subsection (3) provides that, to be a trade mark agent, all that person, firm, or company must do is to pay the requisite fee.

Section 81. Falsely representing a trade mark as registered

(1) A person who makes a representation —

(a) with respect to a mark, not being a registered trade mark, to the effect that it is a registered trade mark;

(b) with respect to a part of a registered trade mark, not being

a part separately registered on a trade mark, to the effect that it is so registered;

(c) to the effect that a registered trade mark is registered in respect of goods or services in respect of which it is not registered; or

(d) to the effect that the registration of a trade mark gives a right to the exclusive use of the trade mark in circumstances in which, having regard to conditions or limitations entered on the Register, the registration does not give that right,

is guilty of an offense and is liable, on conviction, to a fine not exceeding R500, or to a term of imprisonment not exceeding two months, or to both.

(2) For the purpose of this section, the use in Malaysia in relation to a trade mark of the word “registered” or of any other word referring, whether expressly or impliedly, to registration shall be deemed to import a reference to registration in the Register except —

(a) where the word is used in physical association with other words delineated in characters at least as large as those in which that word is delineated and indicating that the reference is to registration as a trade mark under the law of a country outside Malaysia, being a country under the law of which the registration referred to is in fact in force;

(b) where the word (being a word other than the word “registered”) is of itself such as to indicate that the reference is to registration as mentioned in paragraph (a), or

(c) where that word is used in relation to a mark registered as a trade mark under the law of a country outside Malaysia and in relation to goods or services to be exported to that country.

COMMENTARY

Section 81 governs the use of the symbol ®. The placement of this symbol should be as close to that part of the mark which is in fact registered as possible. Therefore, if part of a mark has been disclaimed and does not form the matter of a separate application, the symbol ® need not be placed close to this portion of the trade mark. Where a trade mark application is still pending, the ® symbol cannot be used. Instead, the symbol ™ is usually adopted to signify to the public that the mark is a trade mark.

Section 82. Unregistered trade marks

(1) No person shall be entitled to initiate any action to prevent or to recover damages for the infringement of an unregistered trade mark.

(2) Notwithstanding subsection (1), nothing in the Trade Marks Act shall be deemed to affect the right of action against any person for passing off goods or services as those of another person or the remedies in respect thereof.

COMMENTARY

Subsection (1) confirms that the cause of action of trade mark infringement is only available on registration of the trade mark concerned. Subsec-

tion (2) recognizes and confirms the Common Law tort of passing-off as a separate cause of action.

Generally, passing-off occurs when there is a misrepresentation made by a trader in the course of trade to prospective customers of his or ultimate consumers of goods or services supplied by him which is calculated to injure the business or goodwill of his trade and that causes actual damage to his business reputation and goodwill. The remedies sought in such an action are similar to that of trade mark infringement, e.g., interlocutory and permanent injunction, damages, or an account of profits and costs.

As the prerequisites of passing-off are different from trade mark infringement, it is possible for there to be a cause of action in passing-off in the case of unregistered trade marks even if a case in trade mark infringement cannot be made out. In the case of registered trade marks, the cause of action in passing-off may be available alongside trade mark infringement, and it is usual for a plaintiff to combine relief for both trade mark infringement and passing-off in one action.

Section 83. Regulations

(1) Subject to the provisions of the Trade Marks Act, the Minister may make regulations for the purpose of carrying into effect the provisions of the Trade Marks Act.

(2) In particular and without prejudice to the generality of subsection (1), such regulations may provide for all or any of the following:

(a) to regulate the practice (other than that relating to proceedings before the court or connected therewith) under the Trade Marks Act, including service of documents;

(b) to classify goods and services for the purpose of registration of trade marks;

(c) to make or require duplication of trade marks or other documents;

(d) to secure and regulate the publishing and selling or distributing in such manner as the Minister may think fit of copies of trade marks and other documents;

(e) to prescribe the fees to be paid in respect of any matter or thing required for the purposes of this Act;

(ea) to provide for the registration and qualifications of agents; and

(f) to regulate generally on matters pertaining to the business of trade marks carried on in any trade marks office whether or not specially prescribed under the Trade Marks Act but so as not to be inconsistent with any of the provisions of the Trade Marks Act.

(3) Deleted by Act A881

(4) Subject to the provisions of the Trade Marks Act, the Rules Committee, constituted under the courts of the Judicature Act 1964, may make rules of court regulating the practice and procedure in relation to proceedings before the court or connected therewith and the costs of the proceedings.

COMMENTARY

Subsection (e) was substituted by Act A881. Subsection (ea) was inserted by Act A881 to cater to the registration of trade mark agents.

The Trade Mark Regulations 1997 came into force on 1 December 1997.

Section 84. Repeal and saving

(1) The Trade Marks Ordinance 1950, the Trade Marks Ordinance of Sabah, and the Trade Marks Ordinance of Sarawak are hereby repealed.

(2) Notwithstanding the repeal of the Ordinances specified in subsection (1):

(a) any subsidiary legislation made under any of the repealed laws shall insofar as such subsidiary legislation is not inconsistent with the provisions of the Trade Marks Act continue in force and have effect as if it had been made under the Trade Marks Act and may be repealed, extended, varied, or amended accordingly;

(b) any appointment made under the repealed laws or subsidiary legislation made thereunder shall continue in force and have effect as if it had been made under the Trade Marks Act unless the Minister otherwise directs;

(c) any certificate issued under any of the repealed laws and in force immediately prior to the coming into force of the Trade Marks Act shall, subject to the terms, conditions, and the period of validity specified in the certificate, continue in force and have the like effect as if it had been issued under the Trade Marks Act, and the Registrar may amend, modify, renew, cancel, or revoke such certificate in accordance with the powers conferred on him by the relevant provisions of the Trade Marks Act relating thereto.