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 **日本知的財産協会**
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15th October, 2010

Mr. Azizan Mohamad Sidin
Director General,
Intellectual Property Corporation of Malaysia
Level 27, 29, 30 & 32, Menara Dayabumi,
Jalan Sultan Hishamuddin,
50623 Kuala Lumpur

Proposal on amendment and reform of Patent Act and Trade Mark Act

Dear Azizan Mohamad Sidin,

First of all, we would like to express our sincere gratitude for having always given your serious consideration to the opinions and requests of the Japanese business circle in Malaysia.

2. We take great pleasure in sending you **the proposal on amendment and reform of Patent Act and Trade Mark Act** for your reference in the future policy consideration.

3. We would appreciate it if you could peruse our proposal and give further considerations on amendment and reform of Patent Act and Trade Mark Act.

Yours respectfully,

久保田 聡

Satoshi Kubota
Secretary General, Malaysia IPG
Deputy Managing Director, JETRO

Kenichi Osonoe

Kenichi Osonoe
Project Leader on Strategy to Asian Countries
Japan Intellectual Property Association

CC: Ms. Shamsiah Kamaruddin

Amendments of Patent Act

No.	EXISTING PROVISIONS	PROPOSED AMENDMENTS	Proposal and Comments
1	New Provision	<p>Expedited Examination</p> <p>To introduce provision for expedited examination due to reasons acceptable to the Registrar of Patent.</p>	We welcome this amendment.
2	Section 30	<p>Protection of Traditional Knowledge (TK) & Genetic Resources (GR)</p> <ul style="list-style-type: none"> • To recognize TK & GR documents as part of the substantive requirement under current provision S30(1)(a) • Requirement for evidence of Prior Informed Consent (PIC), Benefit Sharing and Country of Origin of genetic resources in patent applications 	The details need to be studied carefully.
3	Sections 3 and 13	<p>Protection of Modified Micro-Organism & Other Modified Biological Materials</p> <p>To define various terms used in relation to bio-tech inventions</p>	We welcome this amendment.
4	New Provision	<p>Restoration Of Patent Term</p> <p>To provide a provision for restoration of patent terms due to any circumstances beyond the control of the Patents Office not more than 2</p>	We welcome this amendment.

		years	
5	New Provision	<p>Effect of registration, etc on rights in patent</p> <ul style="list-style-type: none"> • To extend the matters allowed to be entered in the register for example, registration of transaction in relation to the patent : Section 32 • To introduce a new provision that gives effect to registration of rights and transactions in patent 	The reference document states that the amendment relates to Section 32, but would we be correct in understanding that the amendment would be related to the provisions on the assignment of patents under Section 39? The details need to be studied carefully.
6	New Provision	<p>Effect of Non-registration on Infringement Proceedings</p> <ul style="list-style-type: none"> • To introduce a new provision that gives effect on non-registration on infringement proceedings 	The details need to be studied carefully.
7	Section 58	<p>Acts of Infringement</p> <p>To include provision on contributory infringement</p>	We welcome this amendment.
8	New Provision	<p>Innocent Infringement</p> <p>To introduce a new provision to cater for innocent infringement</p>	Careful study would be needed as to what kinds of cases would be considered innocent, and to ensure that the amendment would not be too easy on infringers.
9	New Provision	<p>Groundless Threat</p> <p>To introduce provision for groundless threat</p>	Careful study would be needed as to the extent of proof which the patent owner would have to produce. An excessively strict requirement for proof would lead to the weakening of rights.
10	Section 84	<p>Rights of Government</p> <p>To make use of the DOHA Declaration facility in relation to pharmaceutical products under Section 84 – importations and exportations</p>	<p>The details need to be studied carefully.</p> <p>We request that express provisions be stipulated in law or regulations about the detailed requirements under which a compulsory license may be effected against a patent on a</p>

			pharmaceutical in the public interest, so as to ensure that the rights of patent owners would not be unjustly limited.
11	Section 23A	<p>RESIDENTS</p> <p>To introduce definition for Resident</p> <ul style="list-style-type: none"> • Proposed Definition: 'a person resident in Malaysia' includes a person who at the material time is residing in Malaysia by virtue of a valid permit lawfully issued to him under the Immigration Act 1959/63 or any Act amending or substituted for the Act 	<p>Given the advancement of global businesses and of international research and development frameworks, we fear that expanding the scope of people who would be obligated to file their patent applications in Malaysia first could hinder the prompt filing of patent applications in other countries. Also, since even people who do not wish to acquire patents in Malaysia would be required to file their patent applications in Malaysia, there is a risk that foreign companies would become negative about conducting research and development in Malaysia. Due to these reasons, we oppose the amendment to expand the scope of people who are required to file their patent applications in Malaysia first to include also foreign nationals residing in Malaysia.</p> <p>If the definition of "resident" is to be thus expanded, we request that due consideration be given so as to prevent the imposition of an excessive burden on applicants, such as by limiting the target inventions to only those related to national defense.</p>
12	New Provision	<p>Observations by 3rd Party on Patentability</p> <p>To introduce a new section that deals with observation by third party on patentability</p>	We welcome this amendment.
13	New Provision	<p>Composition of Offences</p> <p>To introduce a new provision on composition of</p>	We welcome this amendment.

		<p>offences</p> <p>Penalty under Section 23A:</p> <p><input type="checkbox"/> Existing: Not exceeding RM15,000.00 or imprisonment of 2 years or both</p> <p><input type="checkbox"/> Proposed compounding penalty: Not exceeding RM 10,000.00</p>	
14	Section 36	<p>Monetization & Securitization</p> <p>To provide avenue for monetization and securitization of patent rights</p>	We welcome this amendment.
15		<p>MyIPO IP Official Journal</p> <p>To introduce MyIPO IP Official Journal</p>	We see no problem.
16		<p>Other Proposed Amendments</p> <p>To amend the current provisions on patent information services such as the patent mapping, prior art search, and clarity in processing procedures</p>	We see no problem.

Amendments of Trade Mark Act

No	Current Provision	Proposed Amendments	Proposal and Comments
1	Registration of traditional marks i.e. trade mark and service mark	Provision on non traditional mark e.g. sound, smell, 3D etc.	We welcome a step toward the broader protection of trademarks. However, due to the difficulty in ensuring the appropriate examination of such non-traditional marks, the amendment could lead to the filing of a large number of trademark applications by those who are not entitled thereto. Although prior user rights are protected under Section 40(1)(c) of the Trade Marks Act, there is a risk of confusion in how the prior user status can be proved.
2	Single class application only	Single and multiple class application	We welcome this amendment.
3	Strict rule of examination on registrability	Reform on examination procedures i.e. absolute/relative grounds of refusal	The details need to be studied carefully.
4	Local filing only	Filing – national and international route	We welcome this amendment.
5	Limited provision on infringement and damages	To extend provision on infringement i.e. statutory damages, groundless threat, etc.	We welcome this amendment.
6	Limited provision on recordal of licensing	Limited provision on recordal of licensing (registered user)	We see no problem.

	(registered user)		
7	Border Measure	Customs authority to administer and enforce Border Measure provision	We basically welcome this amendment, but the details need to be studied carefully.
8	Advertisement of acceptance via government gazette	Introduction of MyIPO IP Official Journal	We welcome this amendment.
9		Provision on monetization and securitization of Trade Mark	We welcome this amendment.
10		Expedited Trade Mark registration	We basically welcome this amendment, but the details need to be studied carefully.