The Association of Southeast Asian Nations (“ASEAN”) is now moving rapidly towards globalisation, and closer to its goal of establishing an Economic Community by 2015, which aims to create a single market in the region. Following the implementation of the Community Trade Mark System (“CTM”) in the European Union (“EU”), ASEAN had also considered the potential commercial benefits of a unified trade mark registration. In 1995, the ASEAN Framework Agreement on Intellectual Property was signed to foster closer co-operation among member countries’ IP regimes, and develop common Patent and Trademark systems within ASEAN. On 22 November 2007, ASEAN and the EU signed a joint declaration in Singapore, agreeing to enhance cooperation on IPRs in the fields of legislation, enforcement and capacity building, to develop and strengthen awareness of intellectual property.

Globally, trade mark awareness is on the rise, and 2011 saw the highest number of international trade mark applications ever filed under the World Intellectual Property Organisation’s (“WIPO”) Madrid System for the International Registration of Marks. In essence, the Madrid Protocol provides a one-stop registration – the filing of one application with a single office; in one language; with one set of fees; and in one currency. Barring objections and oppositions, this system bypasses the local agents and proceeds directly to registration, thus providing a direct and quick registration procedure with great cost savings for the applicant.

By 2015, the number of international trade mark applications will be substantially higher, as all 10 members of ASEAN have agreed in principle to join the Madrid Protocol. To-date, only Singapore and Vietnam are members of the Madrid Protocol. The Philippines recently deposited its instrument of accession with WIPO on 25 April 2012, and accession is anticipated to be formalised by 25 July 2012. Similarly, Malaysia and Thailand are also preparing for accession to the Madrid Protocol.

**IP LAWS DO NOT OPERATE IN A VACUUM**

The moral and economic rationales for the protection of intellectual property rights are apparent. However, there are great regional disparities among the 10 ASEAN members, with regard to their respective laws on trade mark protection and enforcement. In this regard, ASEAN members not only have to harmonise their procedural laws to be consistent with the Madrid Protocol, they would also have to review their substantive laws.

In addition, stronger laws are required to handle the prevalent issues of widespread counterfeiting and trade mark infringement which cripple the regional economy as a whole. If necessary, ASEAN
members would also have to consider tougher anti-corruption laws, so as to ensure that counterfeiters and trade mark infringers are duly dealt with by enforcement agencies as well.

**KEY CHALLENGES FACED BY ASEAN**

The harmonisation of laws is difficult and poses a formidable challenge. Moreover, not all ASEAN members have a proper trade mark registration system in place. For example, there is no trade mark law in Myanmar. To obtain protection, one has to file an application together with a Power of Attorney and a Declaration of Ownership with the Office of the Registration of Deeds. Over time, the registered trade mark owners adopted a “self-help” practice, such as publishing a “Cautionary Notice” in the local newspapers regularly.

Incongruent economic and literacy standing of ASEAN members have also raised concerns on each member’s ability to appreciate and comprehend the scope of the Madrid Protocol. Obstacles may also include cultural differences, political risk issues, and the disparate infrastructure of the respective intellectual property offices.

Whilst the Madrid Protocol offers trade mark owners a simple management system, it creates problems for IP lawyers and intellectual property offices that lack the appropriate knowledge and information. Likewise, support personnel assisting trade mark attorneys have to be educated on the Madrid Protocol as well. The sudden surge of applications would also result in processing backlogs. Generally, local IP lawyers are of the view that the Madrid Protocol reduces their filing fees, and have therefore resisted its implementation. Such resistance by IP lawyers poses a problem as well - lawyers practising in ASEAN have also appealed to their respective Members of Parliament, in order to table their opposing views.

In view of these challenges and complications, ASEAN members are currently working on developing active policies to boost international harmonization, and in particular, shortening the examination processing period. In Malaysia, actions taken by the Government include changes to the Trade Marks Act, providing extensive training to trade mark officers and staff, investing significantly in improving and upgrading the infrastructure of information and communication technology in Trade Marks Offices, and being in constant consultation with stakeholder groups.

One of the greater challenges for Malaysia and other ASEAN member states, apart from further revision of their respective intellectual property laws, is the recognition of non-traditional marks, such as scent, sound and 3-dimensional marks. Further, policy objectives and principle implementation for the protection of Traditional Knowledge and Traditional Cultural Expressions, coupled with the aim of making progress on these matters within the accession plan, is of high importance.
CONCLUSION

The Philippines’ accession to the Madrid Protocol, and Malaysia and Thailand’s preparations for accession are major motivational boosts for the remaining ASEAN members who have yet to accede to the treaty. Despite falling behind in accession, these remainder ASEAN members have the advantage of observing how those ahead have structured their reforms accordingly.

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This article is intended to highlight specific issues relating to the ASEAN Framework Agreement on Intellectual Property, and it is not intended to be comprehensive nor should it be construed as legal advice. Should you have any queries as to how this may affect your business, please do not hesitate to email us at mail@gateway-law.com.