



# TRADEMARK DISPUTES: DECIPHERING THE JURISDICTIONAL LABYRINTH



## Trademark Disputes: Deciphering the Jurisdictional Labyrinth

The Trademark Law 2019 ("TM Law") vests the Union Supreme Court of Myanmar ("Supreme Court") with the power and authority to establish Intellectual Property Courts ("IP Courts") for adjudication of criminal and civil cases relating to intellectual property rights.

On 24th March 2023, the Supreme Court issued a significant ruling, creating procedures and granting the relevant Courts the power to adjudicate trademark cases through multiple notifications. It represents a crucial step in protecting trademarks and empowering the IP Courts to manage trademark disputes. Interestingly, while the establishment of IP Courts was notified under the TM Law, the vesting of similar rights for other intellectual property laws, such as Copy Right Law or the Industrial Design Law, is yet to be notified, which may likely happen once these laws are notified to come into force.

### A. Judicial Power for Trademark-Related Criminal Lawsuits

Criminal lawsuits under the TM Law are to be adjudicated by IP Courts and judges the Supreme Court authorises through this notification. The notifications grant the following Courts the jurisdiction and authority to adjudicate trademark-related criminal cases arising out of Chapter XXIII of the TM Law:

- (i) The Courts of the First Instance of the Self-Administered Divisions/States and respective District Courts have been vested with the original criminal jurisdiction of the IP Courts to adjudicate the criminal cases under the TM Law; and
- (ii) The High Courts of Regions and States are granted the appellate jurisdiction to adjudicate appeals and revision cases against any criminal judgments, orders, and decisions made by the Courts of the First Instance of the Self-Administered Divisions/States and respective District Courts.

While authorising Courts of the First Instance and respective District Courts to adjudicate criminal cases arising out of TM Law, the notification fails to distinguish the intra-jurisdictional scope between the First Instance and respective District Courts. We believe that the sentencing power of the Courts of First Instance *vis-à-vis* the respective District Courts would be per the Myanmar Code of Criminal Procedure ("CrPC").



Provisions of CrPC provide the following sentencing powers to the Courts of the First Instance and respective District Courts:

(i) *Section 32 CrPC (Courts of the First Instance):*

a)	Courts of Magistrates of the first class	Imprisonment for a term not exceeding three years, including such solitary confinement as is authorised by law; fine not exceeding one hundred thousand Kyats.
b)	Courts of Magistrate of the second-class	Imprisonment for a term not exceeding one year, including such solitary confinement as is authorised by law; fine not exceeding fifty thousand Kyats.
c)	Courts of Magistrates of the third class	Imprisonment for a term not exceeding three months; fine not exceeding thirty thousand Kyats.

(ii) *Section 30 CrPC (District Magistrate): all offences are not punishable by death.*

**B. Judicial Power for Trademark-Related Civil Lawsuits**

The notification of the Supreme Court further granted IP Courts with power to adjudicate the civil side's original lawsuit, the application for provisional measures, the appeal to the IP Courts against decisions made by the Intellectual Property Rights Agency ("**Agency**"), and the application to the IP Court on the suspension order of the Director General of Customs Department under the TM Law. The Agency is an intra-departmental body which presides over appeals from the trademark registrar. The relevant IP Courts which were granted the civil side adjudication power under the notifications are:

- (i) Yangon High Court has the jurisdiction and authority to adjudicate appeal and revision cases against any judgments, orders, and decisions passed by the IP Courts in civil cases under the TM Law.
- (ii) Kyauktada District Court has been conferred original civil jurisdiction and authority of the IP Courts to adjudicate civil suits related to trademark infringements under the TM Law and applications for provisional measures under the TM Law.



Further, the Yangon Region High Court has been granted the jurisdiction and authority to adjudicate on appeals against decisions made by the Agency formed under TM Law. It is also vested with the power to preside over the appeals against suspension orders issued by the Director-General of the Customs Department under the TM Law.

Similar to the criminal side of the process, the notification fails to distinguish the intra-jurisdictional scope (pecuniary) between the Yangon High Court and Kyauktada District Court. We believe that the pecuniary jurisdiction of the Yangon High Court *vis-à-vis* the Kyauktada District Court would be per the Myanmar Code of Civil Procedure ("**CPC**"). Based on Notification 1030/2020, issued by the Supreme Court of the Union of Myanmar, the pecuniary jurisdiction of the Yangon High Court and Kyauktada District Court would be as follows:

- I. Kyauktada District Court: Suit value of up to MMK 3,000 million; and
- II. Yangon High Court: Suit value of above MMK 3,000 million.

### C. Procedures for Adjudicating Lawsuits under the TM Law

#### (i) *Criminal Proceedings:*

When adjudicating criminal cases under TM Law, the IP Courts must adhere to the Code of Criminal Procedures provisions. Moreover, IP Courts must maintain a "Criminal Case Registration Book Related to the Intellectual Property Laws" as a separate register.

#### (ii) *Civil Lawsuits:*

The procedure covers civil lawsuits related to TM Law.

- The right holder or their authorised representative may initiate a lawsuit.
- Civil lawsuits for trademark infringement must be filed within the specified period under the Limitation Act.
- The provisions of chapters 15 and 19 of the TM Law must be followed to declare, invalidate, or cancel a trademark registration.
- The plaintiff must follow the Code of Civil Procedure, including the infringement details and damages calculation.
- IP Courts must maintain a "Civil Cases Registration Book Related to the Intellectual Property Laws" as a separate register.

#### (iii) *Summon and Compliance:*

Upon receiving the complaint, the IP Court will order the plaintiff to serve the summons on the defendant and pay the serving costs. The plaintiff with the IP Court must also file a copy of the complaint and an affidavit confirming the summons was delivered on time. Failing to do so may result in the dismissal of the plaint or setting a new timeframe. Failing to present an affidavit by the new deadline may result in the dismissal of the case. For defendants in foreign countries, the IP Courts must follow the rules of the Code of Civil Procedure and instructions from the Supreme Court.

#### (iv) *Claim for damages:*

When filing a lawsuit for a claim for damages, the plaintiff needs to present the following evidence:

- The plaintiff has a legitimate rights holder under the TM Law.
- Using the mark, the defendant infringed on the plaintiff's rights and harmed their interests.
- The marks are identical or deceptively similar to the plaintiff's marks.
- The public or consumers are deceived or misled by the defendant's use of the mark.
- The defendant's lack of care or attention.

- Additional documentary evidence is required to prove the damages and their amount.

In order to claim ownership of a famous mark, evidence of its popularity and lawful ownership is needed to assert rights over it. An individual must submit the original registration certificate or a true certified copy to show that a mark is registered.

#### (v) *Taking action against goods that infringe on trademark rights:*

The IP Courts can issue orders to stop infringing goods from entering the market and remove or destroy them from the market or trade channels. These orders can also cover removing or destroying tools and materials used to produce those goods.

#### (vi) *Provisional Orders:*

The IP Court will proceed to handle applications for provisional orders and *ex-parte* provisional orders presented by a rights holder per the Code of Civil Procedure. IP Courts must record the applications in the "Miscellaneous Civil Case Registration Book Related to the Intellectual Property Laws".

The procedure outlines the detailed requirements for provisional order and *ex-parte* provisional order applications. It includes evidence for damages, application affidavit, and serving the summons within a specific period.

The respondent must file the objection within 15 days or the period allowed by the IP Courts from the date of receiving the summon, including the affidavit and evidence documents.

The IP Courts may instruct the plaintiff to provide enough security money or an undertaking letter with specified terms and conditions (Intellectual Property Rights Form-3). If the plaintiff fails to comply with this instruction, the IP Court may dismiss the plaint.

#### (vii) *Effectiveness of the Provisional Orders:*

A provisional order remains effective until the IP Court renders a judgment in the lawsuit filed for infringement of an intellectual property right under the TM Law or unless the relevant IP Courts issue an order revoking or dismissal of effective the provisional order upon the respondent's request.

#### (viii) *Application to the IP Courts against a decision of the Agency:*

A person who disagrees with a decision of the Agency may appeal to the relevant IP Court within 90 days of receiving the decision notice. Only those who participated in the appeal process with the Agency are eligible to appeal to the IP Court.

The judgment of the IP Courts on an application against a decision of the Agency must be binding on the Agency. The Agency and the beneficiaries of its decision must be included as respondents in the case.

The IP Courts must record the appeal applications against the Agency's decision in the "Registration Book for Intellectual Property Rights Applications" (Intellectual Property Rights Form-5).

The procedure set out the detailed requirements for an appeal petition. It includes filing of the Agency's decision or certified true copy of such decision, affidavit for applications, and serving the summons within the specific period.

Before the IP Court's hearing date, the respondent(s) must give two copies of written responses (Intellectual Property Rights Form-7) to the IP Court, including evidence documents and the affidavit(s). The approval of the IP Court can amend the written response.

Unless the IP Court deems it necessary, no oral or written evidence shall be admitted apart from the evidence presented at the Agency.

(ix) *Impact and binding effect of the IP Court's judgment on the Agency's decision:*

The IP Court's validation of the Agency's decision leads to the dismissal of the application. The IP Court may annul the Agency's decision or issue another appropriate order if it approves the application. A copy of the IP Court's order shall be sent to the Agency in the event of annulment of the Agency's decision.

(x) *Application to the IP Court against a Suspension Order issued by the Director General of the Customs Department:*

The IP Court must proceed and apply to review a suspension order issued by the Director General of the Customs Department ("**Customs Department**") under the Miscellaneous Civil case.

The judgment of the IP Court on an application against a decision of the Customs Department must be binding on the Customs Department. The Customs Department and the beneficiaries of its decision must be included as respondents in the case.

The IP Courts must instruct the applicant to respondents unless it deems the application to be heard *ex-parte*. Further, the applicant must send copies of the application, affidavit, Customs Department's suspension decision, and case file.

Before the Court hearing date, the respondent(s) must give two copies of written responses (Intellectual Property Rights Form-7 A) to the IP Court, including evidence documents and the affidavit(s). The approval of the IP Court can amend the written response.

The Customs Department may need to provide documentary evidence if the IP Court requests it. The IP Court will decide on the suspension order within 30 days. The IP Court will notify the Customs Department if the suspension order is revoked.

(xi) *Evidence Management:*

In trademark infringement cases, the IP Court may instruct to submit the evidence to the IP Court. If the evidence is difficult to submit, it can be stored securely by the police force or Customs Department. Parties may need to provide an undertaking letter for such evidence (Intellectual Property Rights Form-8). In a criminal lawsuit, the IP Court may take various actions on goods used as evidence, such as confiscation, destruction, return, or other appropriate measures in line with the TM Law.

(xii) *Enforcement of decrees and orders issued by the IP Courts:*

The Courts must adhere to the Code of Civil Procedure in enforcing the decrees and orders issued by the IP Court under the TM Law. In enforcing the decrees and orders issued by the IP Court, the relevant departments and organisations must comply with the Court's instructions.



*The information provided here is for information purposes only and is not intended to constitute legal advice. Legal advice should be obtained from qualified legal counsel for all specific situations.*

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