

CHAPTER

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**INTELLECTUAL
PROPERTY
PROTECTION**

REGISTER

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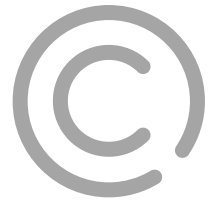
PROPERTY

COPYRIGHT

IDEA

LICENSE

PATENT



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INTELLECTUAL PROPERTY PROTECTION

1. INTELLECTUAL PROPERTY PROTECTION

Intellectual property system in Malaysia is administered by the Intellectual Property Corporation of Malaysia (MyIPO), an agency under the Ministry of Domestic Trade and Consumer Affairs. Intellectual property protection in Malaysia comprises of patents, trade marks, industrial designs, copyright, geographical indications and layout designs of integrated circuits. Malaysia is a member of the World Intellectual Property Organisation (WIPO) and a signatory to the Paris Convention and Berne Convention which govern these intellectual property rights.

In addition, Malaysia is also a signatory to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) signed under the auspices of the World Trade Organisation (WTO). Malaysia provides adequate protection to both local and foreign investors. Malaysia's intellectual property laws are in conformance with international standards and have been reviewed by the TRIPs Council periodically.

1.1 Patents

The Patents Act 1983 and the Patents Regulations 1986 govern patent protection in Malaysia. An applicant may file a patent application directly if he is domicile or resident in Malaysia. A foreign application can only be filed through a registered patent agent in Malaysia acting on behalf of the applicant.

Similar to legislations in other countries, an invention is patentable if it is new, involves an inventive step and is industrially applicable. In accordance with TRIPS, the Patents Act stipulates a protection period of 20 years from the date of filing of an application. Under the Act, the utility innovation certificate provides for an initial duration of ten years protection from the date of filing of the application and renewable for further two consecutive terms of five years each subject to use. The owner of a patent has the right to exploit the patented invention, to assign or transmit the patent, and to conclude a licensed contract. However, exception to patent such as compulsory licence and parallel import are also included.

1.2 Trade Marks

Trade mark protection is governed by the Trade Marks Act 1976 and the Trade Marks Regulations 1997.

The Act provides protection for registered trade marks and service marks in Malaysia. Once registered, no person or enterprise other than its proprietor or authorised users may use them. Infringement action can be initiated against abusers. The period of protection is ten years, renewable for a period of every ten years thereafter. The proprietor of the trade mark or service mark has the right to deal or assign as well as to license its use.

As with patents, while local applicant may file applications on their own, foreign applicants will have to do so through registered trade mark agents.

1.3 Industrial Designs

Industrial design protection in Malaysia is governed by the Industrial Designs Act 1996 and Industrial Designs Regulations 1999. The Act provides the rights of registered industrial designs as that of a personal property capable of assignment and transmission by operation of the law.

To be eligible for registration, industrial designs must be new and do not include a method of construction or design that is dictated solely by function. In addition, the design of the article must not be dependent upon the appearance of another article of which it forms an integral part.

Local applicants can file registrations individually or through a registered industrial designs agent. However, foreign applicants will need to seek the services of a registered industrial designs agent. Registered industrial designs are protected for an initial period of five years which may be extended for a further four consecutive terms, providing a total protection period of 25 years.

Malaysia has amended the Industrial Designs Act 1996 which entered into force on 1 July 2013. The amendments include worldwide novelty, increase term of protection, introduce IP Journal System and provision on monetization and securitization of industrial designs.

1.4 Copyright

The Copyright Act 1987 provides comprehensive protection for copyright works. The Act outlines the nature of works eligible for copyright (which includes computer programs), the scope of protection, and the manner in which the protection is accorded. Copyright subsists in every work eligible for copyright protection of which the author is a qualified person.

Copyright protection for literary, musical or artistic works is for the duration of the life of the author and 50 years after his death. In sound recordings, broadcasts and films, copyright protection is for 50 years after the works are first published or made.

The Act also provides protection for the performer's rights in a live performance which shall continue to subsist for 50 years from the beginning of the calendar year following the year in which the live performance was given or was fixed in a sound recording.

A unique feature of the Act is the inclusion of provisions for its enforcement. The amendment of the Copyright Act 1987, which was enforced on 1 October 2003, confers power of arrest (including arrest without warrant) to enforcement officers of the Ministry of Domestic Trade and Consumer Affairs (MDTCA). This special team of officer of the MDTCA is appointed to enforce the Act and is empowered to enter premises suspected of having infringing copies and to search and seize infringing copies and contrivances.

The Copyright (Amendment) Act 2012 entered into force on 1 March 2012. The Act was amended to be in line with technological development and to adhere to the international IP conventions/treaties relating to copyright and related rights. Among major amendments are the introduction of copyright voluntary notification system, regulating the collective management organisation (CMO) and expansion of the Copyright Tribunal's function. Beginning from 1 June 2012, copyright owner may apply for voluntary notification at the Intellectual Property Corporation of Malaysia (MyIPO) and CMO can be registered at MyIPO.

1.5 Layout Design of Integrated Circuit

The Layout Design of Integrated Circuits Act 2000 provides for the protection of layout designs of integrated circuits based on originality, creator's own invention and the fact that the creation is freely created. There is no registration for the layout design of an integrated circuit.

The duration of protection is 10 years from the date of its commercial exploitation or 15 years from the date of creation if not commercially exploited. The Act also allows for action to be taken by the owner if such rights recognised under the Act have been infringed. The right can also be transferred either partly or wholly by way of assignment, licence, wills or through the enforcement of law.

The Act is implemented in compliance with the TRIPS Agreement to provide a guarantee to investors in Malaysia's electronic industry and to ensure the growth of technology in the country.

1.6 Geographical Indications

Geographical Indications Act 2000 provides protection to goods following the name of the place where goods are produced, where a given quality, reputation or other characteristic of the goods is essentially attributable to their geographical origin. This protection is applicable to goods such as natural or agricultural products or any product of handicraft or industry. Geographical indications which are contrary to public order or morality shall not be protected under the Act.

Local applicants can file registrations individually or through a registered geographical indication agent. However, foreign applicants will need to seek the services of a registered geographical indication agent. The period of protection is ten years and renewable for a period of every ten years thereafter.

MyIPO also provides online search and filing services for patents, trade marks, industrial designs and geographical indications; and online search for notification of copyright works. For further information on intellectual property protection, please visit www.myipo.gov.my

1.7 Intellectual Property (IP) Valuation

In tandem with the IP Valuation Model, an Intellectual Property Valuation Training program was created with the cooperation of the World Trade Institute (WTI), University of Berne, Switzerland, and launched on the 7th of March 2013 with the training of the pioneer batch. The availability of local IP valuers will assist in reducing the cost and complexity of appointing foreign IP valuers in providing valuations for financing and lending purposes and thus make it more accessible to SMEs and IP owners in getting their IP valued. This in turn will contribute to the overall vibrancy of the ecosystem.

1.8 IP Financing

As part of the Government's overall strategy to improve and boost the competitiveness of local SMEs, MyIPO has been working with various stakeholders and key players in the industry especially the lenders and financial institutions to expand their financial and loan products by providing financing based on SMEs IP rights as part of the requisite collateral to secure lending by SMEs.

1.9 IP Rights Marketplace

As part of the overall thrust in strengthening the IP Ecosystem, ensuring healthy demand and supply of IP is critical to encourage continued investments in the creation of IP and other forms of know-how and intangible assets. MyIPO has developed and launched a pilot platform called the IP Rights Marketplace to improve access and visibility for IP owners who wish to license and sell their rights. This portal is created to counter the difficulty IP owners faced in making their IP known and gaining access to potential licensees and buyers. With this platform, MyIPO has entered into strategic partnerships with other IP marketplaces in Hong Kong, Singapore and several regions in China to expand the reach of our local IP rights. More suitable marketplaces globally will be added to the network in the near future.

To know more about the IP marketplace and how you can participate, visit www.iprmarketplace.com.my.