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## Case Law Update: Malaysian Court of Appeal affirms protection for well-known marks

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The Malaysian Court of Appeal took a robust decision in the protection of well-known marks in *Y-Teq Auto Parts (M) Sdn Bhd v X1R Global Holding Sdn Bhd & Anor* [2017] 2 MLJ 609.

The respondent-plaintiff (“P”) was the registered proprietor of the mark



(“P’s Mark”) in respect of lubricant oil for goods falling in Class

4. On the other hand, the appellant-defendant (“D”) was the registered proprietor



of the mark (“D’s Mark”) in respect of motorcycle spare parts for goods falling in Classes 7, 9, 12, 25 and 35.

P applied to expunge D’s Mark from the Register of Trade Marks and was successful in doing so at first instance. Dissatisfied with the decision, D appealed to the Court of Appeal. The Court of Appeal upheld the High Court’s decision on the basis that there would be confusion between P’s well-known Mark and D’s Mark due to their identical appearance as well as the trade connection between them, notwithstanding that they were for different goods registered under different classes.

In the course of its judgment, the Court held :-

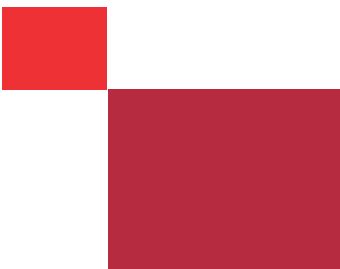
1. By reading sections 14(1)(e) and 14(1)(a) of the Trade Marks Act 1976 (“TMA”) together, a mark is prohibited from registration if the :-
  - a) earlier mark is well-known in Malaysia; and
  - b) use of the later mark would give rise to an unfair advantage or would impinge the reputation or distinctive character of the earlier mark;
2. P successfully adduced sufficient evidence to establish that P’s Mark was a well-known mark. The criteria for making such a determination is non-exhaustive;
3. There was sufficient evidence to establish that there was a likelihood of confusion and deception between the use of P’s and D’s identical marks which were both used in the same motor vehicle industry with the same trade channels and distributors; and
4. P was an “aggrieved person” within the meaning of the TMA due to the prejudicial effect to P’s business as a consequence of the confusion.



The law has taken cognizance of the value of the goodwill and reputation garnered by businesses and has sought to ensure that the same should be adequately safeguarded. This decision helps entrench the protection of well-known marks in Malaysia and evidences that Malaysian Courts are prepared to grant full protection once a mark has been determined to be well-known.

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