



Thailand Intellectual Property Rights Toolkit

U.S. Commercial Service in Thailand
United States of America Department of Commerce

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General Overview

Q. What is the purpose of this toolkit?

This toolkit is intended to provide basic information on intellectual property rights in Thailand, as well as an overview of legal intellectual property issues for businesses, academics, and individuals.

Q. What is intellectual property?

Intellectual property (IP) refers to creations of the mind. The World Intellectual Property Organization (WIPO) states that "intellectual property shall include rights relating to:

- literary, artistic and scientific works
- performances of performing artists, phonograms and broadcasts,
- inventions in all fields of human endeavor
- scientific discoveries
- industrial designs
- trademarks, service marks and commercial names and designation
- protection against unfair competition

and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields."

Intellectual property is generally divided into two broad categories: industrial property and copyright-related rights. Industrial property includes patents, trademarks, industrial designs, and geographical indications, while copyright and related rights covers creative works such as literature, film, musical works, computer software, artistic works, broadcasting, and sound recordings.

Almost all developed countries in the world have a system of intellectual property protection and enforcement. Such systems encourage innovation and creativity, which in turn leads to economic prosperity for the nations.

Q. What is the difference between a copyright, trademark, and patent?

Copyright:

A copyright is a form of protection for the creators of "original works of authorship" including literary, dramatic, musical, artistic, and other intellectual works, both published and unpublished. A copyright protects the form of expression rather than the subject matter of the work.

Trademark:

Trademarks are used to indicate the source of goods and services, and can protect words, names, symbols, sounds, or colors that distinguish goods and services from those sold by others. Trademarks can be renewed forever as long as they are being actively used in commerce. Trademarks are territorial; unlike the United States, most countries require registration of trademark rights.

Patent:

A patent is a government grant of a property right that permits an inventor to exclude others from making, using, selling, offering for sale, or importing his invention. In return, the inventor must fully disclose the invention in the patent application process. Patents are territorial in that patent protection must be applied for in each country where protection is sought.

Q. What basic steps can I take to protect my intellectual property?

First and foremost, it is important to register all IP with the Department of Intellectual Property so that it can be protected. Make sure you know what rights are granted to you under the law, and what steps you can take if someone infringes on those rights. If you become aware of any infringements on your IP, quick legal action has proven to be the most effective way to keep it protected.

Q. How is IP relevant to Thailand?

Piracy and counterfeiting are widespread throughout Thailand, and industry has reported growing challenge in the areas of internet, cable, and signal piracy.

Thailand has been on the 'Priority Watch List' of the Office of the United States Trade Representative (USTR) 301 Report since 1994, and made the list again in 2010 and 2011. According to the USTR, trading partners on the Priority Watch List do not provide an adequate level of IPR protection, enforcement, or market access for persons relying on intellectual property protection. Thailand continues to have problems with the enforcement of intellectual property rights.

Intellectual Property in Thailand

Q. Is the market for counterfeit goods strong in Thailand?

Even though Thai law provides adequate trademark protection, counterfeiting in Thailand still continues to persist. Although counterfeiting has been a pressing issue in Thailand for many years, it is only recently that the problem has attracted significant attention from the international community.

The large number of counterfeit goods being sold in Thailand's shops and streets is plain to see. Commonly counterfeited products include brand-name apparel, leather goods, watches, mobile phones, electrical appliances, spare parts, toys, CDs, DVDs, computer software and many other consumer products. Other counterfeit products are available but, by nature are not as easily detected. These include food, pharmaceutical products, chemicals, and products where fakes are hard to detect. Counterfeiting problems affect both foreign trademark owners and Thai trademark owners, who are taking an increasingly active role in combating this issue.

Despite the prevalence of counterfeits in the Thai market, there have been clear changes in the counterfeiting industry over the past few years. Formerly, most kinds of counterfeit products (with the exception of electronic equipment) were manufactured locally to feed domestic demand. While counterfeit clothing, CDs, DVDs, and a select few other goods continue to be manufactured locally, most counterfeit goods in Thailand are now imported from overseas. Thailand remains a major source of counterfeit clothing and textiles destined for countries in Africa, Eastern Europe, and the Middle East.

Q. Why are there so many counterfeit goods in Thailand?

With a population of over 60 million people and a large number of visiting tourists each year, Thailand is a prime market for counterfeits. Counterfeit products are attractive to both Thais and foreign tourists, especially those who find it hard to purchase counterfeit products in

their home countries. Due to the high demand for counterfeit products, the counterfeiting industry has spread to a wide variety of locations throughout the country. In Bangkok alone, counterfeit products are sold in more than 10 major locations in the city. Counterfeit products are also available to foreign tourists in tourist centers such as Chiang Mai and Had Yai.

Counterfeiting is seen by many Thais as a factor which negatively affects Thailand's image in attracting foreign investment. There is substantial public concern about the damage to Thailand's reputation and future economic progress that is caused by Thailand's large, public market for counterfeit goods. As a result, the Thai government has adopted a stronger anticounterfeiting position in recent years.

Q. What can be done to stop counterfeiting in Thailand?

While actions have been taken against counterfeiters by many individual trademark owners, counterfeiting in Thailand still persists—and will until the economic gains to counterfeiters no longer outweigh the risks. The total eradication of the counterfeit industry, however, remains a long-term objective for the Royal Thai government. The government has also set intermediate objectives in its effort to curb counterfeiting, which include controlling counterfeiting at the retail, distribution, and manufacturing levels.

Recent experience has shown that if legal action is taken against identified counterfeiters immediately upon detection of the counterfeit goods, an easier and quicker solution to the overall problem is possible. However, if the trademark owner does not take speedy action, the situation is likely to worsen and may become uncontrollable as the counterfeiting industry grows and becomes increasingly widespread.

Q. What measures is the Thai government taking to enforce IPR?

Thailand has improved its enforcement of intellectual property rights over recent years, but enforcement efforts remain inconsistent. Although conviction rates are high, corruption and a cultural climate of leniency can complicate the prosecution of cases. The frequency of raids compromised by leaks from police sources remains a concern. Pirates, including those associated with transnational crime syndicates, have responded to stepped-up levels of enforcement with intimidation against rights holders' representatives and enforcement authorities. The Ministry of Commerce has taken the lead in promoting interagency cooperation on IPR enforcement issues, concluding several Memorandums of Understanding between enforcement agencies and rights holders to better coordinate operations.

However, The United States is encouraged by the Royal Thai government's senior level commitment to stronger IPR protection and enforcement through its action plan to improve its current IPR regime. Under this action plan, Thailand has joined the Patent Cooperation Treaty in 2009, which should help expedite patent application processing. The Thai government has also proposed legislation to address landlord liability for infringement, illegal camcording, and to enhance the authority of Thai Customs so that they can take enforcement actions *ex officio*. Thailand is also considering possible amendments to its patent and copyright laws to implement the WIPO Internet Treaties. In 2009, Thailand also increased IP awareness campaigns and enforcement efforts.

There are several locations around Thailand that are notorious for openly selling pirated and counterfeit goods, and these areas have been designated as "red zones" by authorities, and are targeted for increased raids due to their high piracy and counterfeiting rates. In Bangkok, these areas include Panthip Plaza, the Klong Thom, Saphan Lek and Baan Mor shopping areas, the Patpong and Silom shopping areas, the Mah Boon Krong (MBK) Center, and the Sukhumvit Road area.

Q. Are digital intellectual property rights an issue in Thailand?

Yes, piracy using new technologies is an established and constantly evolving problem around the world. Internet piracy is a significant concern in Thailand, and there are growing problems with piracy using cellular telephones, palm devices, flash drives, and other mobile technologies. Much of the time these devices are pre-loaded with illegal content before they are sold. In addition to piracy of music and films using these new technologies, piracy of ringtones, games, and scanned books also occurs.

The United States is working with Thailand to combat these growing problems, and is encouraging the Thai government to ratify and implement the WIPO Internet Treaties, which provide the tools necessary for protecting copyrighted works in a digital environment.

Although Internet piracy is rapidly supplanting physical piracy in many markets around the world, the production and trade of pirated optical discs remains a major problem in Thailand. Thailand still needs to adopt new legislation and aggressively enforce existing legislation in order to combat illegal optical disc production and distribution.

Q. What can I do if someone infringes on my IP?

IPR infringement is commonly treated as a criminal offense in Thailand. The police unit tasked with IPR infringement cases is the Economic and Cyber Crime Division (ECD). Larger cases are generally brought to the Department of Special Investigation. Penalties for IPR infringement can range from fines to imprisonment.

The IP owner may also file a civil case for IPR infringement. Civil enforcement of IP infringement can yield compensation, an interim injunction, or a permanent injunction. However, the burden of proof for the actual damage in civil action is considerably higher than in the U.S.

Copyright

Q. What can be protected under copyright?

A creative work is considered protected by copyright as soon as it exists, so long as it is both original and fixed in a tangible form.

“Originality” means that the work was independently created by the author and has some minimal degree of creativity, and “fixed in a tangible form” means that the work is sufficiently permanent that it can be perceived, reproduced, or otherwise communicated.

Copyright is used to protect a wide range of subject matters, including:

- Literary works including computer software
- Musical works – the score and lyrics of a song
- Sound recordings
- Dramatic works
- Pantomimes and choreographic works
- Architectural works
- Works of visual art, including pictorial, graphic, and sculptural works
- Motion pictures and other audiovisual works

Copyright law only protects the way ideas or concepts are expressed in a particular work. It does not protect the underlying method of operation, procedure, or process, regardless of the form in which it is embodied in a work. Copyright does not protect facts or information – whether scientific, historical, biographical or news – but only the manner in which such facts or information is expressed, selected or arranged.

Q. What rights are included under Thai copyright law?

Copyright law gives the creator of a work a diverse bundle of exclusive rights over his work for a limited (but substantial) period of time. These rights enable an author to control the economic use of his work in a number of ways so that he may, if he wishes, receive payment.

Copyright law also provides “moral rights,” which protect an author’s reputation and integrity.

Economic rights include the exclusive right by the holder of copyright to authorize or prohibit certain uses of his work. No one may exercise these rights without a copyright owner’s prior expressed permission. Economic rights are more than simply a “right to copy,” and emphasize several different rights which prevent others from unfairly taking advantage of the creative work. Generally, economic rights include the exclusive rights to:

- Reproduce a work in copies
- Distribute copies of a work to the public
- Rent copies of a work
- Make translations or adaptations of a work
- Publicly perform and communicate a work to the public

Thai copyright law has a broad interpretation of fair use. This reflects a policy in Thailand of balancing the interests of society against those of the copyright owner. Charitable, religious, educational, and social welfare institutions are permitted to use copyrighted work, so long as it is not for profit. Reproduction of work for use by the Thai government does not constitute infringement.

Q. What is the current status of the Thai Copyright Act?

The Royal Thai government is in the process of amending the Copyright Act. Thailand has enacted optical disc legislation, but lacks many key elements important to effective IPR protection. In ongoing bilateral discussions with Thai authorities, the United States has urged Thailand to modernize its copyright legislation to address digital copyright issues, including joining and implementing the World Intellectual Property Organization (WIPO) Copyright Treaty and the WIPO Performances and Phonograms Treaty.

Thailand's copyright law, intended to bring Thailand into conformity with international standards under TRIPS and the Berne Convention, became effective in March 1995.

Q. Are the owners of international copyrights protected under Thai law?

Thailand affords protection to foreign works; they enjoy copyright protection similar to that of domestic works.

Since Thailand is a member of the Berne Convention for the protection of literary and artistic works, no additional formalities are required to protect or enforce copyright in Thailand. The copyright in the work of authorship immediately becomes the property of the author who created the work, regardless of where it was created. Only the author or those deriving their rights through the author can rightfully claim copyright.

Trademarks

Q. What can be registered by a trademark?

To be eligible for registration under the Thai Trademark Act of 2000, a trademark must satisfy the following criteria:

- It must be a mark, which includes a photograph, drawing, invented picture, brand, name, word, statement, letter, number, signature, group of colors, body or shape of objects or any or several of the foregoing combined.
- The mark must be used in connection with goods or services for the purpose of indicating that they are the goods or services of the owner of the mark.
- It must not be a mark that is the same as or similar to the registered mark of another person.
- The mark must be distinctive. “Distinctive” is defined by the Act to mean “trademarks which have features that cause the public or persons using the goods to know and to understand that the goods using the trademarks are different from other goods”.

Certain types of marks are expressly prohibited from registration: royal or official arms, crests or flags, royal styles, names or representations of any members of the royal family, any mark that is contrary to public order or morality, or any mark that is identical or confusingly similar to a well-known mark.

Finally, if a mark is identical or confusingly similar to any mark already registered in the same class, it will not be registered. If it is identical or similar to a mark registered in another class, it will also not be registered, given that the Registrar considers it likely to confuse the public.

Q. How do I protect a trademark in Thailand?

The first thing a trademark owner should do is to register the trademark in Thailand. It is possible to have the trademark registered even if it has not actually been used in Thailand or elsewhere. Thai trademark law, like the laws of some other countries, allows the

registration of a trademark that is used or proposed to be used in connection with goods.

The right to use trade or service marks that are registered in Thailand may be licensed to others. However, in order for the license to be enforceable it needs to be in writing and registered with the Department of Intellectual Property.

The Trademark Act allows for registration of collective marks. A collective mark is a trademark or a service mark which is used or by the same group of companies, business enterprises, members of an association, co-operative, union, federation, group of persons, or any other government organization.

The registration of a mark is valid for 10 years beginning the date of filing the application. If the application encounters any court proceedings, the trial timing will not be reckoned in determining the validity of the registration. The total process normally takes approximately one year, assuming there are no unforeseen problems.

Q. Who can apply for a trademark in Thailand?

Applicants for trademarks in Thailand must meet certain requirements, which include the following:

- The applicant must be the owner of the trademark or his agent. In case the applicant is not the trademark owner himself, he must have a power of attorney.
- The applicant must be either a natural (individual) person or a juristic (legal) person. Non-resident applicants can only register a trademark by appointing an agent who is a Thai resident.
- An applicant for registration must have a place of business or an address for service in Thailand. If he wishes to apply for registration in more than one class, he will have to make a separate application for each class.
- An application for registration should be made prior to the launch of the trademark owner's products in Thailand. If this is not possible, registration should be affected as soon as possible

thereafter. Even if the trademark owner does not yet have a plan to market his products in Thailand, it is suggested that he should have his trademark registered in Thailand so as to prevent an unauthorized registration by another person.

Q. Does Thai law honor international trademarks?

Yes, but according to the Trademark Act, the misuse of a domestically-registered trademark is subject to much more severe criminal sanctions than the misuse of a trademark registered abroad. In practice, particularly at the police level, proof of registration of a trademark, in the form of the certificate of registration, helps greatly to start and speed up criminal proceedings.

Q. What can I do if someone infringes on my trademark in Thailand?

Any infringement on a trademark is illegal and therefore grounds for the company owning the trademark to sue the infringing party. As only registered trademarks are recognized in Thailand, it is very important for trademark owners to register their marks.

The owner of a registered trademark can oppose another person's application for registration on the ground that the latter's trademark is identical or similar to his registered trademark. Usually, opposition on this basis is sufficient to cause the rejection of the later application. In a civil suit, the registered trademark owner can invoke a provision in the Trademark Act which recognizes the exclusive right of the registered trademark owner to take action against an infringer and to request certain effective remedies. The trademark proprietor can sue anyone who deceptively uses, forges, or imitates his registered trademark, or imports goods with forged or imitated marks.

Patents

Q. What can be patented?

Patents can be obtained for a broad array of subject matter, including machinery, tools, instruments, methods, systems, processes, compounds, formulations, and even plants and animals under some circumstances.

Patents are usually issued for inventions. An invention is a product, machine, material or process, including a new use for a known product that either provides a new way of doing something or offers a technical solution to an existing problem.

In return for the exclusive right provided by a patent, the applicant is required to disclose the invention to the public by providing a detailed, accurate written description of the invention in the patent application.

Q. What is not patentable?

Both inventions and product designs may be patented in Thailand, but the following inventions are not patentable:

- Microorganisms which would be found in nature or any substances extracted from animals or plants
- Scientific or mathematical rules and theories
- Computer programs
- Processes of diagnosis, treatment, or remedy used in curing human or animal diseases
- Inventions which would disrupt civic order
- Inventions which are harmful to the health and safety of the public, and
- Inventions that represent unsound morals

Q. What rights are granted to the owner of a patent?

The rights of a patentee are specified by the Patent Act to include the right to import the patented products, as well as the right to

manufacture, use, and sell the patented products. The standard duration of a patent is 20 years for an invention and 10 years for a product design.

Generally, the scope of patent protection for an invention is determined by the claim made in the patent application. Any invention that has a similar use or effect as an existing patented invention will be deemed an encroachment on that patent and considered infringement.

Q. Does Thailand recognize international patents?

A patent is a territorial right, limited to the geographical boundary of the relevant country or region.

Any patent application for an invention that is filed within 12 months (or six months for a product design) after an application has been filed abroad will be deemed filed in Thailand on the date the foreign application was filed.

Q. How do I license my rights to others?

A patentee or petty patentee may license his rights to any other person by registering a written License Agreement with the Department of Intellectual Property. A license may either be exclusive, reserving all the rights to the licensee, or non-exclusive, where the patentee can grant rights to other licensees.

When granting a license, the patentee can not impose any restriction or condition that is considered to be anticompetitive. These include, but are not limited to:

- Package licensing – requiring the use of the patentee’s other inventions or designs without the need
- Requiring the licensee to disclose any development or improvement on the patented products or processes
- Requiring the licensee to obtain all or parts of the materials from the patentee or a supplier specified by the patentee – with or without charge

- Restricting the production, sale, or distribution of the licensed product
- Restricting the licensee's rights to employ any person they choose in the production of the patented products
- Forbidding the licensee from exporting the products (unless the patentee holds a patent right in the country and has previously granted sales or distribution rights to other people)
- Restricting the licensee's right to study, analyze, or develop the patented product
- Reserving the right to fix the price of the patented product
- Exempting the patentee's liability in case of flaws in the patented processes or designs
- Demanding exorbitant royalties or discriminatory rates

Q. When are compulsory licenses issued?

Three years after the patent has been granted, any person can apply for a compulsory license if a patentee has abused his rights. For a compulsory license to be granted, the person applying must show that he has already tried to obtain a license with reasonable conditions from the patentee, and that no agreement could be reached in a reasonable timeframe. The patentee will be deemed to have abused his rights if he has not started production, if the product is unavailable, or the product is sold at an unreasonably high price in the local market.

The Thai Patent Act also allows government agencies to grant compulsory licenses to themselves or others for any product or process which is of vital importance to the country. These include products and processes which are used for defense, the preservation of natural resources, or to prevent or relieve a shortage of food or drugs. During a state of war or emergency, the Act allows the Prime Minister to grant a compulsory license on any patent deemed necessary for the defense and security of the country.

Other Forms of Intellectual Property

Q. What is a trade secret?

Trade secrets consist of information which can include a formula, pattern, compilation, program, device, method, technique, or process. The most common definition of trade secret is in relation to business, as it can give an opportunity to obtain an economic advantage over competitors who do not know or use it.

As a member of the World Trade Organization (WTO) and a party to the Agreement on Trade Related Aspects of Intellectual-Property Rights (TRIPS), the United States is obligated to provide trade secret protection. Member nations are required to provide a means for protecting information that is secret, which is commercially valuable because it is secret, and subject to reasonable steps to keep it secret. The U.S. fulfills its obligation by offering trade secret protection under state laws. While state laws differ, there is similarity among the laws because almost all states have adopted some form of the Uniform Trade Secrets Act. The Uniform Trade Secret Act has a very similar meaning to that of TRIPS.

Courts can protect trade secrets by enjoining misappropriation, ordering parties that have misappropriated a trade secret to take steps to maintain its secrecy, as well as ordering payment to the owner. Courts can also award damages, court costs, and reasonable attorneys' fees. This protection is very limited because a trade secret holder is only protected from unauthorized disclosure and use. If a trade secret holder fails to maintain secrecy or if the information becomes released, independently discovered, or otherwise becomes generally known, protection as a trade secret is lost. Trade secrets do not expire so protection continues until discovery or loss.

Trade secret protection is an alternative to patent protection. Patents require the inventor to provide a detailed and enabling disclosure about the invention in exchange for the right to exclude others from practicing the invention for a limited period of time. Patents do expire,

and when this occurs the information contained within is no longer protected. However, unlike trade secrets, patents protect against independent discovery. Patent protection also eliminates the need to maintain secrecy. While most anything can be kept secret, there are limitations on what can be protected by a patent. If a given invention is eligible for either patent or trade secret protection, then the decision on how to protect that invention depends on business considerations and weighing of the relative benefits of each type of intellectual property.

Q. What is data?

Data or test results comprise information that requires considerable effort to prepare and is submitted to state agencies as a condition in granting approval to import, export or sell drugs or agricultural chemical products with new chemical substance.

Q. What is a geographical indication?

Geographical indications are indications which identify a good as originating in a territory where a given characteristic of the good is essentially attributable to its geographical origin. It can also be defined as a sign used on goods that have a specific geographical origin and possess qualities or a reputation that is due to that place of origin. Most commonly, a geographical indication consists of the name of the place of origin of the goods. For example, "Cognac," and "Tuscany" are geographical indications designating the specific geographical origin from which they originate. Agricultural products typically have qualities that derive from their place of production and are influenced by specific local factors, such as climate and soil.

Thailand has promulgated the Geographical Indications Protection Act as a result of its obligations under implementation of TRIPs which aims to prevent the designation or presentation of products in a way which misleads the public as to the geographical origin and to prevent unfair competition.

Resources

Q. What are some helpful resources for information on intellectual property rights in Thailand?

The U.S. Commercial Service in Thailand

Phone: + 662-205-5090

Fax: + 662-255-2915

Website: <http://www.buyusa.gov/thailand/en/>

Email: Bangkok.office.box@mail.doc.gov

The Department of Intellectual Property

Phone: +662-547-4621-5 ext. 1368

Website: <http://www.ipthailand.go.th/ipthailand/index.php?lang=en>

The American Chamber of Commerce in Thailand

Phone: + 662-254-1041

Fax: + 662-251-1605

Website: <http://www.amchamthailand.com>

United States Patent and Trade Office:

Website: <http://www.uspto.gov>

Copyright Office, Library of Congress:

Website: <http://www.copyright.gov>

United States Strategy Targeting Organized Piracy (STOP!)

Website: <http://www.stopfakes.gov>

The World Intellectual Property Organization

Website: <http://www.wipo.int/portal/index.html.en>