

WILFULNESS OR NEGLIGENCE REQUIRED FOR TRADE MARK INFRINGEMENT

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In many countries, IP infringement is considered a strict liability tort, and consequently it is not necessary to prove the infringer's intention to commit the act. In Thailand, however, there are no clear guidelines on whether it is necessary to prove an alleged infringer's intent to violate trade mark rights. The Supreme Court Judgment no 5219/2550 offers a potential interpretation of this issue.

In this case, the plaintiff was the owner of the service mark The Hide Away by assignment. The mark had originally been owned by a company that assigned the mark to a third party. The defendant, a spa and sauna operator, had been licensed to use the service mark and the know-how by the original owner of the mark prior to the assignment. However, the licensing agreement had not been registered with the trade mark registrar and thus was considered null and void under the law. After the plaintiff obtained the ownership of the service mark, he filed a criminal complaint with the police against the defendant for imitation of his mark. Following the criminal action, the plaintiff filed the above-referenced civil complaint to demand that compensation be paid and that the infringement desist.

Ultimately, the Supreme Court ruled in favour of the defendant by finding that the defendant lacked the will or negligence to commit the wrongful act. The Court recognised that the licensing agreement was void, and thus the defendant had no right to use the service mark. Nevertheless, the Court held that under the void licensing agreement, the defendant was licensed the right to use the service mark and the know-how relating to the business; after the service mark had been assigned to the second owner, the defendant and the assignee continued to act in compliance with the licensing agreement. Therefore, the defendant was operating under the honest belief that it had the right to use the mark under the agreement. The Supreme Court finally held that because the defendant did not wilfully or negligently commit the wrongful act, the defendant's actions did not constitute infringement.

The implication of the Supreme Court's decision may be that intention or negligence is required in trade mark infringement, thus differentiating it from a strict liability tort. If it was, in fact, the intention of the Court to establish that *scienter* is a criterion for trade mark infringement, this judgment will have an influence on future trade mark infringement cases.



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