

BENEFITS OF REGISTERING TRADEMARKS IN THAILAND



WHAT ARE THE BENEFITS OF REGISTERING TRADEMARKS IN THAILAND?

1. Preventing Trademark Squatting

Trademark squatting occurs when a party who does not rightfully own a trademark registers the mark anyway in a country where the true owner has yet to register the mark. In Thailand, this can pose a big problem for the true owner, as challenging the imposter's claim to the mark can be extremely difficult. Owners of new marks should always try to register those marks in Thailand as early as possible in order to prevent this situation.

2. Imposing Penalties

Registering the trademark with the DIP gives the owner much more power to enforce his rights against would-be infringers than he would have if the mark is registered outside of Thailand only. The most important reason is the increased penalties applicable to infringing third parties if the mark is registered with the DIP.

"Effectively branding products and services is becoming increasingly important in today's ultracompetitive market place. This situation makes protecting the company's trademarks, which are the visual symbols of the brand, essential."



EXAMPLE: Suppose a well-known French handbag producer begins to sell its

	Not registered in Thailand but registered overseas	Registered in Thailand	Registered in Thailand and 2nd offence within 5 years
Fines applicable (import, production or sale)	up to 6,000 baht	up to 400,000 baht	up to 800,000 baht
Imprisonment applicable(import, production or sale)	up to 3 years	up to 4 years	up to 8 years

3. Claiming Priority

Under Thai law, if a trademark application is filed in one country and then is subsequently filed in Thailand within six months of the initial filing of the trademark, the owner shall receive protection in Thailand as of the date of the initial filing (as long as the country of first filing grants similar rights to Thailand parties).



4. Providing Evidence of Ownership

Trademark registration in one country can also be used as evidence of ownership of the mark in other countries when disputes arise.

EXAMPLE: In Year One a Canadian company registers a trademark in Canada. In Year Three the company attempts to register the same mark in Thailand only to find that an imposter holding no rights to the mark has already registered the mark in Thailand. If the Canadian company wishes to petition the DIP to cancel the imposter's registration in Thailand, he may use the company's Certificate of Trademark registration in Canada as evidence of the Canadian company's better right to the mark.

5. Enhancing Share Value

The amount of goodwill a company accumulates with the purchasing public can greatly enhance the value of that company's shares. Many times the consuming public associates the goodwill created in the market with the company's trademarks rather than with the name of the company. This creates a situation where the company's registered trademarks can be very important and valuable assets.

6. Trademark Licensing

In trademark licensing agreements one party (referred to as the licensee) acquires particular rights to use a trademark from another party that owns or otherwise has rights to the trademark (referred to as the licensor).

Another situation in which registering the trademark to be licensed is quite important occurs when a trademark owner outside of Thailand wishes to license the use of a trademark to a Thailand party.

In this situation if the trademark owner has registered the mark in Thailand he may authorize the licensor to pursue claims against infringers on the mark in Thailand on his behalf.

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