1. **THE FACTS: Business in Malaysia for EU Companies**
   
   *(Source: DG Trade)*

   **SIZE of Market**

   - EU goods exports to Malaysia in 2014: EUR 14 billion
   - EU goods imports from Malaysia in 2014: EUR 19.6 billion
   - Total trade in goods in 2014: EUR 33.6 billion

   **EU services exports to Malaysia in 2013:**
   - EUR 4.2 billion
   **EU services imports from Malaysia in 2013:**
   - EUR 3.2 billion
   **Total trade in services in 2013:** EUR 7.4 billion

   > Malaysia is the EU's second largest trading partner among the South-East Asia countries, behind Singapore (and 23rd overall). Conversely, the EU is Malaysia's third largest trading partner overall (accounting for 9.9% of Malaysia's total external trade in 2014), after China and Singapore.

   **Malaysia GDP in 2014:** USD 338.1 billion *(Source: World Bank)*
   **Malaysia GDP growth in 2014:** 6.0% *(Source: World Bank)*

2. **Useful Links and Additional Information**

   - The EU and Malaysia are currently looking to restart negotiations for a Free Trade Agreement that would further liberalise the market for EU foreign companies wishing to do business in Malaysia. Malaysia's policy of liberalisation with regard to its services sector, has led to increased opportunities for trade in services. When a free trade agreement is concluded between the EU and Malaysia, the trade between the two parties is expected to increase even further.

   - The co-operation between the EU and Malaysia is ensured through the EU-South-East Asia Dialogue which includes discussions on trade and investment issues at ministerial and senior economic official levels.
2. IPR in Malaysia for SMEs: BACKGROUND

Intellectual Property Rights for SMEs: Why is this RELEVANT to you?

Intellectual Property Rights (IPR), as intangible assets, are a key factor in the competitiveness of your business in the global economy. IP is a primary method for securing a return on investment in innovation, and is particularly relevant to Small and Medium-sized Enterprises (see EC definition at http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/sme-definition/index_en.htm) when they internationalise their business to areas such as Southeast Asia. Not only a way to help you protect your innovations from competitors, IP assets can also be an important source of cash-flow for SMEs through licensing deals or selling IP, as well as a significant pull-factor when attracting investors.

Although SMEs often have limited time and resources, it is important to be aware of how IP can be valuable to your business.

IPR infringement is one of the most common concerns for businesses when dealing with countries in Southeast Asia, and could lead to loss of business, revenue, reputation and competitive advantage, both in Southeast Asia and in core domestic markets, unless you take proactive steps to protect your IP and deter potential infringers.

How does Malaysia’s IP legal framework compare to INTERNATIONAL STANDARDS?

Malaysia’s legal system is fundamentally based on the English common law. Historically, Malaysia’s intellectual property laws are closely linked to the evolution of such laws in the United Kingdom, and are generally in conformity with international standards, particularly with regard to the amendments made due to Malaysia’s obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights or TRIPS. (http://www.wto.org/english/tratop_e/trip_e/trips_e/t_agm0_e.htm).

Malaysia’s IP legal system is in line with international standards, and is a member of many international IP treaties, such as the World Intellectual Property Organisation (WIPO), the Berne Convention for the Protection of Literary and Artistic Works, the Paris Convention for the Protection of Industrial Property, Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs) signed under the auspices of the World Trade Organisation (WTO), and the Patent Cooperation Treaty (PCT), (see the WIPO website here for more details on each treaty - http://www.wipo.org/). There is also a move for Malaysia, and other Southeast Asian countries, to join the Madrid Protocol expected by 2016 which would allow member countries (of the Madrid Protocol) to file trade marks in Malaysia based on existing international registrations.

SMEs represent 99% of all enterprises in the EU, and account for about 70% of jobs. Their flexibility and growth potential is seen as a major motor of future innovation and job creation, which is pivotal for the prosperity and economic competitiveness of Europe as a whole.

3. IP Rights in Malaysia: THE BASICS

A. Copyrights

WHAT are Copyrights?

Copyrights are proprietary rights subsisting in works created by authors. Copyright protects literary, artistic, musical and dramatic works. Copyright also protects sound recordings, published editions, films, broadcasts and performer’s rights. Copyright ownership could be held either by the author, his employer or the person who commissions the work.

It must be noted that an author retains the right to have his name identified as the author of the work based on what is called a moral right. The author also has the moral right against the distortion, mutilation or other modification of his or her work. Ownership of copyright entails an exclusive right to commercially exploit the work. A classic example of commercialising a copyrighted work is the distribution of copies of the work for sale. We can see this in traditional commerce such as books and compact discs. As an intangible property, copyright can also be licensed or assigned to third parties for royalties. When licensing, it is important to determine the extent of copyright use that is permitted.

Copyrights in Malaysia: What you need to know

There is no formal requirement for the work to be registered in order for copyright to be claimed or recognised, however a copyright owner may voluntarily register their copyright in Malaysia. Registration is still advisable for foreign SMEs as the registration can be extremely useful in enforcement proceedings as evidence of your ownership. To claim copyright ownership (i.e. to forewarn infringement), a notice with the symbol © may also be placed in/on the work followed by the name of the owner and the year of first publication.

How LONG does legal protection last?

Copyright protection is not permanent. Generally the Malaysian Copyright Act grants copyright protection (i.e. for literary, musical or artistic works) during the life of the author plus 50 years after his or her death. For unpublished works, copyright protection lasts for 50 years from the beginning of the calendar year following the publication date.
HOW do I register?
In order to file a voluntary notification of copyright, the applicant would first have to determine whether the work is that of an original work or derivative work. An original work would include literary, artistic, musical, film, sound recordings and broadcast work. Derivative work on the other hand includes translations, adaptations, arrangements and other transformations of original works or collections of works. When the work to be notified is an original work, a standard form (Form CR-1) has to be completed. When it is a derivative work, Form CR-2 has to be completed. The forms (depending on the type of work) have to be accompanied by a statutory declaration, a copy of the work annexed to the statutory declaration and the prescribed fee paid to the Intellectual Property Corporation of Malaysia (MyIPO) office. The work submitted must be clear and of durable quality.

It is important to note that notification of copyright can only be made by a citizen or a permanent resident of Malaysia, regardless of whether the notification is done by the author/owner or a representative. If the notification is carried out by a representative, an additional Form CR-3 has to be completed and a prescribed fee paid. No additional form and fee is required if notification is by the original author/owner.

The forms have to be signed or thumb-printed by the applicant if he/she is an individual. Where the applicant is a society, organisation, body corporate or firm, the forms must be signed by a director, manager, secretary, partner or other similar officer within the organisation.

The relevant forms are to be submitted to the Intellectual Property Corporation of Malaysia office, which can be done either by hand, by post or electronic means. Upon submission to the Controller, the relevant forms and documents go through the stages of examination, payment and receipt. If the notification is in order, a notice will be sent to the applicant that the information and work has been recorded in the copyright register.

The agency dealing with voluntary copyright notification is the Intellectual Property Corporation of Malaysia, the contact details of which are as follows:

Intellectual Property Corporation of Malaysia (MyIPO)
Unit 1-7, Ground Floor, Tower B, Menara UOA Bangsar, No. 3 Jalan Bangsar Utama 1, 59000 Kuala Lumpur, Malaysia
Tel: +603-2299 8400
Website: [http://www.myipo.gov.my/](http://www.myipo.gov.my/)

WHO can register?
A copyright notification can only be made by a citizen or a permanent resident of Malaysia. An applicant who is not a citizen or Permanent Resident (PR) of Malaysia may appoint a Malaysian citizen or a PR to file the notification on its behalf.

Which LANGUAGES can I use?
In the event the title of a work contains a word in a language other than English or the national language of Malaysia (Bahasa Malaysia), then notification of copyright must include a translation of the word into English or Bahasa Malaysia, and a transliteration of the word, as well as the name of that language.

How much does it COST?
The typical official fees for a voluntary copyright notification in Malaysia start from RM 155, which is approximately EUR 35. Additional costs will depend on any additional works involved by legal service providers.

There is no formal requirement for the work to be registered in order for copyright to be claimed or recognised, however a copyright owner may voluntary register their copyright in Malaysia.

Copyrights TIPS and WATCH-OUTS in Malaysia

- It is important to note that notification of copyright can only be made by a citizen or a permanent resident of Malaysia, regardless of whether the notification is done by the author/owner or a representative.

- In cases of piracy, copyright owners may also file complaints with the Enforcement Division of the Ministry of Domestic Trade, Co-operatives and Consumerism for action to be taken against the infringers.

For more information on copyright protection in Malaysia check out our South-East Asia IPR SME Helpdesk Guide to Copyright Protection in Southeast Asia, which is available to download from our website - [http://www.southeastasia-iprhelpdesk.eu/sites/default/files/publications/Copyright-English.pdf](http://www.southeastasia-iprhelpdesk.eu/sites/default/files/publications/Copyright-English.pdf)
B. Patents

**WHAT are Patents?**
In Malaysia, as in Europe, a patent is an invention that is new, involves an inventive step and is industrially applicable. In other words, an ‘invention’ is that it is an idea of an inventor which permits in practice the solution to a specific problem in the field of technology.

**Patents in Malaysia: What you need to know**
In Malaysia, the following cannot be patented:

a. Discoveries, scientific theories and mathematical methods
b. Plant or animal varieties or essentially biological processes for the production of plants or animals, other than man-made living micro-organisms, micro-biological processes and the products of such micro-organism processes

c. Schemes, rules or methods for doing business, performing purely mental acts or playing games

d. Methods for the treatment of human or animal body by surgery or therapy and diagnostic methods practised on the human or animal body

**Utility Innovations in Malaysia**
Utility innovations are exclusive rights for ‘minor’ inventions, which are different from a Patent. Utility innovations require a less substantial examination process because the degree of innovation required is less. In other words, utility innovations can be registered for ‘any improvement of a known product or process’. Only one single claim is allowed in a utility innovation application. Otherwise, all the other filing requirements are the same as those for a patent application.

**How LONG does legal protection last?**
Patent protection lasts for 20 years from the date of filing. The term of a utility innovation certificate is initially 10 years from the date of application and this term is extendable for another 2 consecutive 5-year terms by filing a formal request for extension, thus making a total of 20 possible years of enforcement.

**HOW do I register?**
An application for a patent in Malaysia needs to provide the following information:

- The inventor’s details and a statement justifying the applicant’s rights to file the patent (e.g. through employment or assignment) in form 1.
- Specifications of the invention including a description, claims, abstract and drawings (if any). It is usually the case that businesses hire a patent attorney or patent drafter for the purposes of providing this information accurately.
- Within 18 months from the date of filing, the Applicant must request one of the following options (further explained below):
  
  a. Request for Substantive Examination
  b. Request for Modified Substantive Examination, or
  c. Request for Deferment of Substantive Examination

If the applicant does not elect any of the above options, the application will lapse with no possibility of reinstatement and the patent will not be granted.

(a) *Request for Substantive Examination*

‘Substantive examination’ is a full examination on the substantive requirements of the patent application, i.e., ‘novelty’, ‘inventive step’ and ‘industrial applicability’. To expedite the examination process, it is advisable to provide one of the following documents (if available) to assist the patent examiner during examination of the application:

- Any information relating to patents granted (or applied for) for the same or essentially the same invention claimed by the applicant via the relevant authorities in the United States of America, the United Kingdom, Australia, Japan, the Republic of Korea or the European Patent Office.
- Search results, bibliographic details or relevant official actions issued by any of the above jurisdictions. As substantive examination is a full examination on all substantive and formality requirements, it generally takes a longer time for the patent to be granted.

As Substantive Examination is a full examination on all substantive and formality requirements, it generally takes a longer time for the patent to be granted.
(b) Request for Modified Substantive Examination

‘Modified substantive examination’ may be requested for if the applicant has already been granted a corresponding patent in the United States of America, the United Kingdom, Australia, Japan, the Republic of Korea or with the European Patent Office. The modified substantive examination is a simplified examination whereby the substantive requirements of novelty, inventive step and industrial applicability are considered to have been met upon by the foreign patent. If your business has already patented an invention in any of the six jurisdictions mentioned, requesting a modified substantive examination can reduce the time taken for a patent to be granted.

In pursuing this option, the applicant must:
• amend the Malaysian patent specification and claims to conform substantially to those granted in the foreign patent.
• provide a certified copy of the foreign patent at the time of filing a request for Modified Substantive Examination.

(c) Request for Deferment of Substantive Examination

The ‘request for deferment of substantive examination’ would have the effect of deferring the deadline for examination up to five years from the date of filing the application. Therefore, a request for deferment would act as an extension of time to request for examination from the initial 2 year deadline. This is particularly useful in the situation where your business has a foreign patent application that is pending grant, and intends to request a modified substantive examination once the foreign patent is granted.

The agency dealing with patents is the Intellectual Property Corporation of Malaysia, the contact details of which are as follows:

The Patent Registration Office,
Intellectual Property Corporation of Malaysia,
Unit 1-7, Ground Floor, Tower B, Menara UOA Bangsar,
No. 5 Jalan Bangsar Utama 1, 59000 Kuala Lumpur, Malaysia
Tel: +603-2299 8400
http://www.myipo.gov.my/

WHO can register?
Individuals or corporate entities can register patents. It is not a requirement that an inventor has to be a Malaysian citizen or a Malaysian corporation.

Which LANGUAGES can I use?
All documents submitted must either be in English or the national language of Malaysia (Bahasa Malaysia).

How much does it COST?
The basic filing fee for patent registration in Malaysia starts from RM 1,490, which is approximately EUR 340.

For more information on patent protection in Malaysia, check out our South-East Asia IPR SME Helpdesk Guide to Patent Protection in Southeast Asia, which is available to download from our website - http://www.southeastasia-iphelpdesk.eu/?q=en/helpdesk-guides

C. Industrial Design

WHAT are Industrial Designs?
An industrial design is the ornamental or aesthetic aspect of an article. The design may consist of three-dimensional features such as the shape and configuration of an article, or two-dimensional features, such as pattern and ornamentation. The design features must be applied to an article by any industrial process or means of which the features in the finished article appeal to eye.

Industrial Designs in Malaysia: What you need to know
The designs of certain types of articles are specifically excluded from design registration in Malaysia. A design is not registrable if:

• It concerns the aesthetic appearance of an article which is not significant or the design features differ only in immaterial details.
- it is a method or principle of construction;
- it is contrary to public order or morality;
- the design of the article is conditioned exclusively by its functions functions; and
- the design is for articles that are integral parts of other articles and whose features are dependent upon the appearance of other article.

How LONG does legal protection last?
A registered industrial design is given an initial protection period of 5 years from the date of filing and is extendable for a further four consecutive terms of 5 years each. The maximum protection period is 25 years.

HOW do I register?
The application for registration of an industrial design must be filed with the Industrial Designs Registry, Intellectual Property Corporation of Malaysia. The following has to be submitted:

- A completed application form (ID Form 1) in Bahasa Malaysia or English;
- One copy of representation of the article to which the design is applied (drawings or photograph);
- A statement of novelty in respect of the industrial designs to which the design is applied (a statement of novelty is not required when registering wallpaper, lace or textile articles); and
- The filing fee.

WHO can register?
Individuals or corporate entities can register industrial designs. It is not a requirement that a designer has to be a Malaysian citizen or a Malaysian corporation. Where an applicant’s ordinary residence or principal place of business is outside Malaysia, the applicant shall appoint an agent registered in the Register of Industrial Designs Agents.

Which LANGUAGES can I use?
All documents submitted must either be in English or the national language of Malaysia (Bahasa Malaysia).

How much does it COST?
The basic filing fee for industrial single application in Malaysia is RM 500, which is approximately EUR 114.

An industrial design is the ornamental or aesthetic aspect of an article.

D. Trade Marks

WHAT are Trade Marks?
A trade mark may be a device, brand, heading, label, ticket, name, signature, word, letter, numeral or any combination of these. A trade mark is used for the purpose of distinguishing goods or services from those of other traders. By registering a trade mark, you will have the exclusive right or the use of the trade mark in relation to the goods and services applied for. In general you will be able to stop third parties from using an identical or even a confusingly similar trade mark.

Trade Marks in Malaysia: What you need to know
In Malaysia, a trade mark is prohibited from being registered if its use is likely to deceive or cause confusion to the public, if it is identical with or closely resembles a mark which is well-known in Malaysia for the same goods or services of another proprietor, or if it claims a false geographical indication (i.e. the trade mark misleads the public as to the true place of origin of the goods).

Malaysia is in the process of joining the Madrid Protocol by 2015, in the meantime, applications are made locally with the Registry of Trade Marks.

How LONG does legal protection last?
A trade mark registration will last for 10 years from the date of application, or priority date if the application is based on a ‘priority claim’ (if the same filing has been made within a certain timeframe in any other country also belonging to the Paris Convention – see more details and a full list of members here - http://www.wipo.int/treaties/en/). This right means that, on the basis of a regular first application filed in one of the Contracting States, the applicant may, within a certain period of time (6 months for trade marks), apply for protection in any of the other Contracting States. These subsequent applications will be regarded as if they had been filed on the same day as the first application. In other words, they will have priority (hence the expression ‘right of priority’) over applications filed by others during the said period of time for the same mark.

A trade mark registration is renewable every 10 years. It is recommended that the trade mark registration be renewed before the registration expires.
How do I register?
An application form (Form TM5 from the Registry of Trade Marks) should be filed with the Registry of Trade Marks. The application must include the word mark or a representation of the trade mark which you are applying for. You also need to indicate which class of goods or services the trade mark will be for, and a list of the goods and services that the trade mark would cover.

You can appoint an agent to file the application on your behalf by completing ‘Form TM1’ from the Registry of Trade Marks and making a statutory declaration of the appointment. Once an application has been filed, it will be examined for registration purposes within 1-2 years from the filing date. In the event there is no objection raised by the examiner, a form calling for advertisement of the mark will be issued. Once the mark has been advertised in the Government Gazette and there is no opposition filed, the mark will proceed to registration.

The agency dealing with trade marks is the Intellectual Property Corporation of Malaysia, the contact details of which are as follows:

Registry of Trade Marks, Intellectual Property Corporation of Malaysia,
Unit 1-7, Ground Floor, Tower B, Menara UOA Bangsar,
No. 5 Jalan Bangsar Utama 1, 59000 Kuala Lumpur, Malaysia
Tel: +603-2299 8400
Website: http://www.myipo.gov.my/

Who can register?
Any individual or a corporate entity can register a trade mark. If the applicant resides abroad, an address for service in Malaysia must be provided. While foreign applicants are able to register a trade mark, it is common practice for them to engage a trade mark agent for this purpose.

Which Languages can I use?
All documents submitted must either be in English or the national language of Malaysia (Bahasa Malaysia).

How much does it cost?
The basic filing fee (excluding agent costs) for trade mark registration in Malaysia starts from RM 1,020, which is approximately EUR 233.

Trade Marks Tips and Watch-outs in Malaysia
- In Malaysia an application is per mark per class. Malaysia does not have multiple class filing, which means you are required to submit separate trade mark applications for each type of product you wish to protect by trade mark. For example, if you wanted to register the name ‘Apple’ for furniture AND for automobiles, two separate applications would need to be made.

- In enforcement proceedings, ‘first use’ of a trade mark generally defeats ‘first to apply’. Arguably if you possess a well-known mark you may defeat first-use.

- Apart from having a physical presence in Malaysia, it should also be noted that the sale of products over the internet in Malaysia can also be deemed as use of the trade mark in Malaysia.

For more information on trade mark protection in Malaysia, check out our South-East Asia IPR SME Helpdesk Guide to Trade Mark Protection in Southeast Asia, which is available to download from our website - http://www.southeastasia-iprhelpdesk.eu/?q=en/helpdesk-guides
E. Geographical Indications

WHAT are Geographical Indications?
A geographical indication (GI) is a distinctive sign used to identify a product as originating in the territory of a particular country, region or locality where its quality, reputation or other characteristic is linked to its geographical origin. GIs differ from trade marks in the sense that GIs may be used by all producers or traders whose products originate from that place and which share the particular quality, reputation or other characteristics, while trade marks may only be used by the trade mark owner, or with the owner's consent. ‘Champagne’ from France and ‘Scotch Whisky’ from Scotland are examples of European GIs while ‘Sabah Tea’ and ‘Sarawak Pepper’ are examples of Malaysian GIs.

Geographical Indications in Malaysia: What you need to know
With regard to cases of geographical indications in Malaysia, these have been available for registration and IP protection since 2001. The ‘Geographical Indications Act 2000’ defines geographical indication as an indication which identifies any goods as originating in a country or territory, or a region or locality in that country or territory, where a given quality, reputation or other characteristic of the goods is essentially attributable to their geographical origin. Geographical Indications (Amendment) Regulations have been entered into force in 2013.

Geographical indications which are contrary to public order or morality or territory of origin; or are not or have ceased to be protected in their country, or territory of origin shall not be protected.

How LONG does legal protection last?
A registered geographical indication is protected for ten years from the date of filing and is renewable every ten years as long as it is still in use.

HOW do I register?
An application for the registration of a geographical indication shall be made on Form G1 accompanied by a copy of statutory declaration by the prescribed fee, if the applicant has a registered business in Malaysia.

An applicant for a geographical indication who does not reside or do business in Malaysia shall appoint an agent and file Form GI 2, giving an address for service in Malaysia.

Registrations can be made at:
Registrar of Geographical Indication
Intellectual Property Division
Intellectual Property Corporation of Malaysia (MyIPO)
Unit 1-7, Ground Floor, Menara UOA Bangsar
No. 5 Jalan Bangsar Utama 1
59000 Kuala Lumpur
Tel: +603-22998400
Fax: +603-22998989

Registrations can also be made in Sabah and Sarawak. For further information, visit the MyIPO website - http://www.myipo.gov.my/petunjuk-geografi

WHO can register?
The following person(s) are entitled to file an application for registration of a GI in Malaysia:

A person carrying out an activity as a producer in the geographical area specified in the application with respect to the goods specified in the application. Registration of geographical indication is based on an affiliation ownership concept for the producers who are carrying on an activity in that specified geographical area and not an individual ownership concept. Geographical indication can also be registered by the competent authority such as local authority, government agency, statutory body; and trade organization or association.

Which LANGUAGES can I use?
Applications can be made in English or the national language of Malaysia (Bahasa Malaysia).

A geographical indication (GI) is a distinctive sign used to identify a product as originating in the territory of a particular country, region or locality where its quality, reputation or other characteristic is linked to its geographical origin.
How much does it COST?
The filing fee (excluding agent costs) for geographical indication registration in Malaysia is RM 250, which is approximately EUR 60, followed by RM 450.00 (EUR 100) for advertisement and issuance of certificate.

F. Trade Secrets

WHAT are Trade Secrets?
Trade secrets are recognised in Malaysia and qualify for IP protection there. Some examples of confidential information include manufacturing processes, formulas and even information relating to customers, suppliers, cost prices and customers’ requirements. In general, substantial time and efforts are required for information of this nature to be created and qualify for protection in legal cases, as they must satisfy these three criteria:

1. the information must be confidential and not generally known to the public;
2. the recipient of the information must be made aware of their obligation to keep the information confidential (e.g. if a confidentiality agreement was signed);
3. the information was used in an unauthorised way to the detriment of trade secret owner or his/her business.

To help prove that the information in question is confidential, you will need to demonstrate the measures you took to identify and safeguard confidential information (e.g. by signing non-disclosure agreements, marking documents as confidential, or password protecting electronic data, etc.). When enforcing trade secrets in legal cases, it is also better to identify specific information as opposed to generalised information, and where possible, to express this information in a tangible form so you can distinguish it from ordinary information that an employee would acquire through their daily work. Supporting this, it is important to consider how such information is managed within your company – restricting access to information can both prevent trade secrets from being lost in the first place and the measures themselves can be used to demonstrate to courts that steps were taken to keep information confidential.

Trade Secrets in Malaysia: What you need to know
It is advisable for you to incorporate confidentiality terms in employment contracts to protect confidential information or trade secrets. The term ‘confidential information’ in contracts should also be defined in sufficiently broad terms, even including information created by the employees in the course of their employment. Such express terms are useful for two important reasons – firstly, to facilitate the manner in which the company’s confidential information can be managed and used by employees, and secondly, to draw the employees’ attention specifically to their duty of guarding company secrets (and to pre-empt any later claims of ignorance or lack of knowledge).

For dealings with external parties, it is always advisable to require them to sign a non-disclosure agreement (NDA) before any of your confidential information has been divulged. The NDA should expressly impose an obligation of confidence on the receiving party to not misuse your confidential information to the detriment of your company. The duty of confidentiality extends even to third party recipients who know or are reasonably expected to have knowledge of the confidential nature of the information in question. Legal protection for trade secrets would depend on the facts of each case. Because there is no formal registration process for trade secrets, these are often referred to as ‘unregistered rights’.

In theory trade secrets may last forever, as long as the information does not become available in the public domain (for example, the Coca-Cola™ recipe was never patented and still today remains a trade secret). Despite being unregistered rights, trade secrets are recognised in Malaysia and can therefore be enforced provided you can prove that they are non-public, the use or abuse of them is to your detriment and that you took measures to protect their confidentiality.

For more information on trade secret protection in Malaysia, check out our South-East Asia IPR SME Helpdesk Guide to Trade Secrets in Southeast Asia, which is available to download from our website - http://www.southeastasia-iprhelpdesk.eu/sites/default/files/publications/Trade-Secret-English.pdf
4. Using CUSTOMS to block counterfeits

WHAT are Customs?
The competent authority for the enforcement of intellectual property rights in Malaysia is the Ministry of Domestic Trade and Consumer Affairs. The Royal Malaysian Customs enforces IPR under the ex-officio capacity as provided under the Trade Marks Act 1976 – section 70C to 70O. Customs are authorised to detain goods (suspicious of infringing or counterfeit), only when a complaint is lodged to the Registrar of Trade Marks under the Ministry of Domestic Trade and Consumer Affairs.

Customs in Malaysia: What you need to know
While you cannot directly apply to the Royal Malaysian Customs to detain or seize goods, if you suspect that counterfeits of your products are going to be imported into Malaysia you can apply to the Registrar of Trade Marks to invoke a seizure. You must provide certificates proving that you are the owner of the trade mark that the expected counterfeits infringe and provide information relating to the goods and the shipment to enable the customs officers to identify the imported goods and detain them. Further to this application, you would then have to file a civil suit to obtain an order that the goods are not to be released. It should also be noted that where the goods have been seized and you fail to commence civil action within the retention period, the person that owns the seized goods may apply to the Court for an order of compensation against you. If the Court is satisfied that the person aggrieved had suffered loss or damage as a result of the seizure of the goods, the Court may order you to pay compensation in such amount as the Court thinks fit.

Customs TIPS and WATCH-OUTS in Malaysia
- There is no system available for registering IP with customs for detaining counterfeit products.
- When applying for seizure of goods, you should be prepared to follow through with civil litigation within the legal timeframe.
- There may be a substantial retention fee that has to be paid when seizing goods.

5. ENFORCING your IP

In the case of your IP assets being infringed in Malaysia, there are two main avenues of enforcement which you can consider. They are criminal enforcement, which are complaints lodged with the Enforcement Division of the Ministry of Domestic Trade, Cooperatives and Consumerism (ED), and civil litigation. In many cases however private mediation via legal professionals is more effective and should be considered as a viable option, particularly for SMEs who may have budget limitations.

IP Courts in MALAYSIA
In 2007 the judiciary introduced dedicated IP courts that consist of 15 ‘Sessions Courts’ that sit in each state, and 6 ‘High Courts’ that sit in certain states (i.e. Kuala Lumpur, Johor, Perak, Selangor, Sabah and Sarawak). The purpose of assigning a special IP court is to give proper attention to IP cases in the criminal and civil courts, and ensure that the judges hearing such cases are equipped to handle IP issues.

These Sessions Courts (lower courts) hear criminal cases, and have the jurisdiction to impose fines for IP infringing acts. There is no limit to the fines that they can impose. The High Courts are designated for civil cases, because in these IP cases the damages are usually unquantifiable until assessed post-trial. The High Court has the jurisdiction to hand out injunctions (i.e. court order obliging the infringer to immediately stop their infringing activities) and also an unlimited award of monetary damages. The IP Court is considered a great success in Malaysia, as it has managed to handle IP cases much quicker than before.

Criminal Enforcement by the ED
In Malaysia complaints can be lodged with the Enforcement Division of the Ministry of Domestic Trade, Co-operatives and Consumerism (ED) for cases in relation to counterfeiting or piracy. The ED has the power to seize products and prosecute offenders/counterfeiters. These actions are somewhat speedy and can be cost-effective. In brief, the IP right owner would have to provide the ED with documents to prove their rights, an investigation report to show the infringing activity, and also a letter of complaint. Enforcement by the ED is also recommended because
it would provide for immediate confiscation of infringing goods. The actions undertaken by the ED can include raid actions against suspected counterfeiters or pirates where goods that are found at the premises are seized. Subsequent to the seizures, the matter will be investigated by the ED for purposes of imposing a fine on the infringer or for the infringer to be prosecuted in court. It should be noted that you, as a brand or right owner, play a supporting role to assist the ED to initiate the action against counterfeiters or pirates. This means that you would rely on the authorities to initiate the action and complete the investigation, but you would support the investigation by providing the authorities with evidential support such as identification of the seized goods and also attendance as a witness in court, if necessary.

Civil Litigation
In cases of trade mark or copyright infringement, rights owners would also have recourse to file a civil suit in the High Court. An action can be filed against the infringers where the usual result is for an injunction (i.e. a court order obliging the infringer to immediately stop their infringing activities) and damages to be paid to the rights owner. Since 2010, the Chief Justice has directed that civil cases should as far as possible proceed to trial within nine months from the date of filing. This has helped to ensure that the backlog of cases in the courts is minimised.

6. RELATED LINKS and Additional Information

> South-East Asia IPR SME Helpdesk website - http://www.southeastasia-iprhelpdesk.eu/
> IPR Helpdesk Blog – for all the latest news and information on IP in Southeast Asia and China – http://www.youripinsider.eu
> South-East Asia IPR SME Helpdesk Guides (available to download from http://www.southeastasia-iprhelpdesk.eu/?q=en/helpdesk-guides) including,

- ‘Technology Transfer to Southeast Asia’
- ‘Protecting your IP at Trade Fairs in Southeast Asia’
- ‘Protecting your Online IP’
- ‘Copyright Protection in Southeast Asia’
- ‘Trade Mark Protection in Southeast Asia’
- ‘Trade Secret Protection in Southeast Asia’
- ‘Patent Protection in Southeast Asia’
- ‘Top 20 IP Considerations Entering a New Market’
- ‘Using Contracts to Protect your IP in Southeast Asia’

> Royal Malaysian Customs - http://www.customs.gov.my/
> World Intellectual Property Organisation (WIPO) - http://www.wipo.int/
> ASEAN IP Portal – http://www.aseanip.org

For more detailed information about IP enforcement in Malaysia, look out for the South-East Asia IPR SME Helpdesk’s forthcoming Guide to IP Enforcement in the South-East Asia Region, to be made available for download from our website in the coming months.
In the case of IP assets being infringed in Malaysia, there are two main avenues of enforcement. They are criminal enforcement, which are complaints lodged with the Enforcement Division of the Ministry of Domestic Trade, Cooperatives and Consumerism (ED), and civil litigation.

In many cases, however, private mediation via legal professionals is more effective and should be considered as a viable option, particularly for SMEs who may have budget limitations.

**Civil Litigation**

In 2007 the judiciary introduced dedicated IP courts that consist of fifteen (15) ‘Sessions Courts’ that sit in each state, and six (6) ‘High Courts’ that sit in certain states (i.e. Kuala Lumpur, Johor, Perak, Selangor, Sabah and Sarawak). The relevant documents to initiate a civil lawsuit in Malaysia would need to be drafted on an ‘ad hoc’ basis by lawyers licensed to represent clients in the country.

**Criminal Prosecution**

In Malaysia, complaints can be lodged with the Enforcement Division of the Ministry of Domestic Trade, Co-operatives and Consumerism (ED) for cases in relation to counterfeiting or piracy. The ED has the power to seize products and prosecute offenders/counterfeitors. The IP right owner would have to provide the ED with documents to prove their rights, an investigation report to show the infringing activity, and also a letter of complaint. The relevant documents would need to be drafted on an ‘ad hoc’ basis by lawyers licensed to represent clients in Malaysia.

**Customs Enforcement**

The competent authority for the enforcement of intellectual property rights in Malaysia is the Ministry of Domestic Trade and Consumer Affairs. The Royal Malaysian Customs enforces IPR under the ex-officio capacity as provided under the Trade Marks Act 1976 – section 70C to 700. Customs are authorised to detain goods (suspicious of infringing or counterfeit), only when a complaint is lodged to the Registrar of Trade Marks under the Ministry of Domestic Trade and Consumer Affairs.

THE OFFICIAL APPLICATION FORM TO RESTRICT IMPORTATION OF COUNTERFEIT TRADE MARKS GOODS IS ATTACHED
INTELLECTUAL PROPERTY CORPORATION OF MALAYSIA

TRADE MARKS REGISTRY

TRADE MARKS ACT 1976

TRADE MARKS REGULATION 1997

APPLICATION TO RESTRICT IMPORTATION OF COUNTERFEIT TRADE MARKS GOODS

(Regulation 83A)

<table>
<thead>
<tr>
<th>FOR OFFICIAL USE</th>
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</thead>
<tbody>
<tr>
<td>Application Date: ..........................</td>
</tr>
<tr>
<td>Fee: ...........................................</td>
</tr>
<tr>
<td>* Cheque/ Postal Order/ money Order / Cash / Draft No: ..........................</td>
</tr>
<tr>
<td>Registrar’s Remark:</td>
</tr>
<tr>
<td>Notice remain in force from ..................... until ..................................</td>
</tr>
<tr>
<td>(Not more than 60 days)</td>
</tr>
<tr>
<td>Security Deposit: ..................................</td>
</tr>
<tr>
<td>(as required under Section 70E of the Trade Marks Act 1976)</td>
</tr>
</tbody>
</table>
| Place of storage of seized goods: ..................
| (as required under Section 70F of the Trade Marks Act 1976) |

I. Applicant:
(Proprietor of a registered mark or agent having the power)

Name: ............................................

Address: ............................................

..................................................
Nationality: 

Telephone:  

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
<td>2.</td>
<td>Trade Mark No:</td>
</tr>
<tr>
<td>3.</td>
<td>Class:</td>
</tr>
<tr>
<td>4.</td>
<td>Representation of mark:</td>
</tr>
<tr>
<td>5.</td>
<td>Specification of goods:</td>
</tr>
<tr>
<td>6.</td>
<td>Particulars of importers of counterfeit trade mark goods:</td>
</tr>
<tr>
<td>(i)</td>
<td>Name and address of the importer:</td>
</tr>
<tr>
<td>(ii)</td>
<td>Name and registration number of the ship, aircraft, vehicle, etc:</td>
</tr>
<tr>
<td>(iii)</td>
<td>Name of the place of the counterfeit trade mark goods expected to be imported:</td>
</tr>
<tr>
<td>(iv)</td>
<td>Expected date and time of arrival:</td>
</tr>
<tr>
<td>(v)</td>
<td>Company of origin:</td>
</tr>
<tr>
<td>7.</td>
<td>Interest of the application in the mark, if any:</td>
</tr>
</tbody>
</table>

Signature:  

Name of signatory (in block letters):  

Date:  
The South-East Asia IPR SME Helpdesk provides free, business-focused advice relating to South-East Asia IPR to European Small and Medium Enterprises (SMEs).

**Helpdesk Enquiry Service:** Submit further questions to the Helpdesk via phone or email (question@southeastasia-iprhelpdesk.eu), or visit us in person and receive free and confidential first-line advice within three working days from a South-East Asia IP expert.

**Training:** The Helpdesk arranges training on South-East Asia IPR protection and enforcement across Europe and South-East Asia, tailored to the needs of SMEs.

**Materials:** Helpdesk business-focused guides and training materials on South-East Asia IPR issues are all downloadable from the online portal.

**Online Services:** Our multilingual online portal (www.southeastasia-iprhelpdesk.eu) provides easy access to Helpdesk guides, case studies, E-learning modules, event information and webinars.

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Project implemented by:

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**Download guide:**

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