

Review Paper

Intellectual Property in Malaysia: Initiatives, Challenges & Real Infringement Cases

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Received: 18-04-2023

Revised: 22-07-2023

Accepted: 01-08-2023

ABSTRACT

The Industrial Revolution 4.0 has improved economic and societal well-being in Malaysia, and this has necessitated creativity and invention, which has resulted in the development of intellectual property. Intellectual property rights (IPR), which include patents, copyrights, designs rights, and trademarks, are largely responsible for providing incentives and protections for creative inventions. Yet, disputes between the parties at the time of IP registration and at a later stage still occur despite the intellectual property protection being in place. Hence, this study attempts to shed light on the numerous IPR activities taken by the Malaysian government, as well as on IPR challenges, their preventative measures, and actual infringement instances. Scopus, Web of Science, Science Direct, and Google Scholar were only a few of the databases that were examined to compile the literature on the subject from 2005 to 2021. This article contributes to the public's knowledge and comprehension of intellectual property in Malaysian business, particularly in terms of its practices and difficulties.

HIGHLIGHTS

- This paper is devoted to pinpoints the practices and difficulties related to the intellectual property in the Malaysian Industry. The evidence presented in this paper is based on a developing market thus conducting future research in other nations would enable a comparison to be made and valuable insights to be gained.

Keywords: Industrial Revolution 4.0, Malaysia, Initiatives, Intellectual Property Right

Intellectual property (IP) is the translation of innovation and creativity into a greater value of product or idea. The opportunity to monetise from selling the product or idea can entice large numbers of imitator to steal them, claiming it as theirs at the expense of the hard effort poured by the original creators. While protecting the interest of the creators and owners of IP is crucial to prevent illegal use or abuse of the product or idea, encouraging the creators to continue creating and inventing is equally vital for the benefit of the community at large, as well as, to foster economic growth. Therefore, granting Intellectual Property Right (IPR) is prominence to offer legal protection

to the creators and to motivate them to continue innovating.

Nevertheless, the rise of the Internet and Artificial Intelligence (AI) within the landscape of the Industrial Revolution 4.0 (IR 4.0) has resulted in the violation of IPR becoming increasingly effortless. At the same time, using the technologies, allow companies to collect and analyse large amounts of data in real-time, leading to the creation of

How to cite this article: Azizan, A.F., Wan Adnan, W.N.A., Johari, R.J., Jamaluddin, A. and Ismail, T.H. (2023). Intellectual Property in Malaysia: Initiatives, Challenges & Real Infringement Cases. *Econ. Aff.*, 68(03): 1485-1494.

Source of Support: None; **Conflict of Interest:** None



new types of inventions and innovations that were not possible before. In this vein, this paper discusses the development of IPR in Malaysia, the obstacles and difficulties encountered in this area and the measures undertaken to prevent and eliminate IP fraud. This is essential to probe future research questions as it highlights the gaps and challenges that exist in the current legal and regulatory framework, which may highlight the need for the development of new policies, laws, and technologies to address these issues. Additionally, as the evidence presented in this paper is based on a developing market, conducting future research in other nations enables a comparison to be made and valuable insights to be gained.

This paper is structured as follows: The next section describes the overview of IPR in Malaysia, delineating the different types of IP that is protected by the statutory law. It also outlines the various Malaysia Government initiatives to be in congruent with the international standard. This is followed by the discussions of the challenges in IPR currently faced by the industry, and a section that illuminate some of the initiatives taken to address the challenges to cope with IR 4.0. Next, this paper shared the identified four cases on trademark infringement that happened in Malaysia. All the discussions are summarised and concluded in the final section.

LITERATURE REVIEW

The development of IPR- in Malaysia

In Malaysia, the history of the governing body responsible to administer IPR can be traced back as early as 1980s when Pejabat Cap Dagangan dan Jaminhak was first established. It was later change to Pejabat Cap Dagangan dan Paten, governed by the Ministry of Trade and Industry (MITI). However, upon restructuring of MITI that occurred on 27 October 1990, the Office then report to the Ministry of Domestic Trade and Consumer Affairs, which is now known as the Ministry of Domestic Trade, Co-operatives, and Consumerism. Later, the Office was renamed into the Intellectual Property Division responsible to govern legal act such as the Patents Act of 1983, the Trademarks Act of 1976, and the Copyright Act of 1987. In order to keep up with the growth of IPR both locally and globally, the Division underwent a corporatization process on

March 3, 2003 and was renamed the Intellectual Property Corporation of Malaysia (PHIM), following the implementation of the Intellectual Property Corporation of Malaysia Act 2002. In a more recent development, PHIM was rebranded to Malaysian Intellectual Property Office (MyIPO), which now also govern the Industrial Designs Act 1996, the Layout-Designs of Integrated Circuits Act 2000, and the Geographical Indications Act 2000.

The four types of intellectual property that can be protected by the Malaysia IPR include patents, copyrights, trade secretes and trademarks.

(i) Patents

A patent is an exclusive right given for an invention, which is a product or a method that gives a new technological solution to a problem or a new way of doing something. It gives the patent holder protection for his or her idea. However, the protection is only provided for a specified period of time, i.e., 20 years. In the absence of the patent's holder authorisation, the innovation cannot be commercially manufactured, utilised, distributed, or sold (Sagar, 2018). Hence, within that period of 20 years, the patent owner has the right to determine parties that can legally use the patented innovation. This can be done by granting permission or license under the conditions set by the patent holder. Alternatively, patent holder can sell the right to the invention to someone else, who will then become the patent's new holder (Sagar, 2018). When a patent expires, the protection of the innovation ends, which means patent holder lose their exclusive rights, upon which, the invention can enter the public domain and is now open to economic exploitation by anyone. In exchange for patent protection, all patent owners must publicly reveal information about their innovation in order to contribute to the world's entire body of technical knowledge. A growing corpus of public information encourages others to be more creative and innovative. Thus, patents offer the holder with not just protection, but also important knowledge and inspiration.

(ii) Copyrights

Meanwhile, a copyright is a legal word that refers to the rights that the creators are granted for their literary and creative works. While the former includes novels, poetry, plays, reference works,

newspapers, computer programmes, databases, films, musical compositions, and choreography; the latter comprise of paintings, drawings, photos, and advertisements. Some literary or creative work creators may be reluctant to register for the copyright simply because it is inherent in the work produced. However, by doing so helps to establish that the creator is the proprietor of that work, which is becoming more prevalence in the cyberspace, as having a copyright also protects an expression of ideas and a product of human ingenuity shared online. Particularly, when the protection is effective immediately after the work is created and lasts for a specified duration of time. Interestingly, rather than receiving stipend salary, by selling the rights to their works, the creators will receive a sum of monies known as royalties throughout the creator's lifetime plus sixty years after their death. Thus, this may make registering for a copyright to be worthwhile.

(iii) Trade secrets

Trade secrets, on the other hand, relates to a company's "know-how", including private commercial knowledge, sales tactics, distribution channels, consumer profiles, advertising strategies, supplier and client lists, and production processes, that give the owner a competitive advantage over their rival. These normally comprise of manufacturing secret, industrial secret or commercial secret that makes possessing the trade secrets to be commercially valuable. Unlike patents, trade secrets can be protected without the need for registration. It will provide the holder with an added advantage for an indefinite amount of time only if the trade secrets are protected confidentially, that the only means to obtain the trade secret is through illegal ways. Once leaked, the holder may lose their competitive edge. Given the abundance of traditional knowledge in the country, which include geographical indicators, protection under IPR will be critical to allow the holder to reap the advantages of possessing such information.

(iv) Trademarks

A trademark is a distinguishing mark, term, symbol, or graphical sign used by businesses during trade to identify their goods or services. For example, it can be a single word, letter, or number, or a combination of them; in the form of drawings,

symbols, three-dimensional indications like product shape and packaging, auditory signs like music or voice sounds, scents, or colours that are used as distinguishing features. To receive statutory protection, a trademark must be registered, upon which the owner will have the exclusive rights to it and will be protected indefinitely. A sum of fee is payable for a period of ten years, which are then renewable. Compared with patents, trademarks are easier and cheaper to file. The lower costs are mostly because trademark filing does not require complying with any novelty requirement (Castaldi, 2020).

The Malaysia Government Initiatives

The stronger is the IPR in a particular country is argued to directly influence investor's investment decisions because it provides them with assurance that their investments will be protected from infringement and piracy (Davies & Withers, 2006). Consequently, legally protected IP can lead to gaining a competitive advantage, which provides incentives for the investors to invest significant amount of money in research and development activities. At the same time, strong IPR protection will create a favourable environment for innovation, which can lead to the development of new products and technologies, as well as the growth of new industries, thereby attracting more investors to the market (Nasir *et al.* 2007). In response, the Malaysian Government has been taking several initiatives and measures to strengthen the IPR to ultimately foster the economic growth by incorporating intellectual property as part of the Fifth Malaysia Plan (1986-1990). This has given birth to two main policies that are vital for the IPR development.

First, the National Intellectual Property Policy (NIPP), which was launched in July 2007, was introduced to drive the government's IP initiatives and programs as well as to govern the laws and regulations to prevent IP infringement and piracy. The NIPP's primary focus is to expedite the creation of IP in Malaysia by emphasizing the development of a favourable environment that offers incentives, grants, effective management, financial support, business transactions, enforcement, and conflict resolution. Thus, to achieve the highest standard of IP security, obtaining TRIPS-plus obligations on copyright from the World Intellectual Property

Organization (WIPO) Copyright Treaty 1996; and performers' rights from the WIPO Performances and Phonograms Treaty 1996 is deemed imperatives (Ida Madieha *et al.* 2018). The reason is it include measures such as longer patent terms, data exclusivity, patent linkage, and restrictions on compulsory licensing. This denotes the country continuous effort to adopt International best practices and standards to protect and manage IPR.

The second policy is National Biotechnology Policy (DBN) which was introduced by the Ministry of Science, Technology and Innovation in 2005. This policy considers IP as a cornerstone in boosting the local industry towards becoming the regional biotechnology hub. It has nine policy thrusts and encompasses of three main phases of implementation, which has led to the establishment of the Malaysian Biotech Corporation, creation of BioNexus Malaysia and competitive financial incentives. Recently in the year 2022, the government has launched the DBN 2.0 that will steer industry in Malaysia to achieve high-technology nation status by 2030. Since the launch of the NBP, Malaysia has witness an increase in the number of biotechnology companies and research institutions, as well as an increase in biotechnology-related investments (New Straits Times, Sept. 12, 2022). While the development of new industries creates job opportunities in the biotechnology sector, it also stimulates economic growth and reduce the country's reliance on traditional industries such as manufacturing and agriculture. Thus, further indicates the essential role of managing IPR as the industry can boost the country's future economic development.

On the other hand, Unit Inovasi Khas (UNIK) was established and entrusted to the Prime Minister's Department with the task of strengthening strategy and policy in order to encourage innovation in Malaysia's "heart" (Ida Madieha *et al.* 2018). Aimed to have a fully dedicate innovation unit that is accountable to foster innovation and manage IP effectively, this is seen as part of the initiative to crystallise the national agenda of becoming a knowledge-based economy and a high-income country under the Tenth Malaysia Plan (2011–2015). At the same time, UNIK was responsible to oversee an integrated innovation policy as well as commercialising university research outputs leading to the introduction of the National Innovation

Policy. However, despite these numerous efforts, maintaining a sound IP protection in Malaysia is not an easy task. This is discussed in the next section.

RESEARCH METHOD

This paper entails conducting a library search and evaluating prior literature reviews on the subject of IP. Online databases such as Web of Science, Scopus, Science Direct, and Google Scholar are used to compile the references (Ida Rosnidah *et al.* 2022; Johari *et al.* 2022). The advance search is confined to IP protection, related laws and regulations, preventive measures, and local and international case studies. References are drawn exclusively from journal articles, book chapters, newspaper cutting, and full-text documents published between 2005 and 2021.

CURRENT CHALLENGES IN INTELLECTUAL PROPERTY PROTECTION IN MALAYSIA'S INDUSTRY

Industries Affected by IP Fraud in Malaysia

There are a few industries that are highly vulnerable to the IP fraud. This includes the music, film and television industry in Malaysia which is highly relying on the copyrighted data. According to Oxford Economist (2013), in 2013 alone, the film industry has generated RM2.91 million in revenue to the Malaysian economy, which represent 0.3 percent of the Gross Domestic Product (GDP). It opens the employment opportunity, approximately 10,994 jobs, equivalent to 0.1 percent of the total employment, as well as bringing in RM386 million in tax revenue for Malaysia. Several legal measures that were undertaken through the IPR protection helps to address the issues of piracy and infringement in the film industry.

Nevertheless, the IPR protection are only effective nationally and can be challenging to be imposed to other countries. As revealed by Abdullah, Hanafi & Nawang (2021) "In the case of our prominent film producer Datuk Yusuf Haslam, he found out his film was broadcasted in Uzbekistan.... he is not happy... and complain to us to take legal action. Unfortunately, our country does not have good working relationship with Uzbekistan to handle this situation. Thus, no action can be taken because of

the different legal system.”. As such, addressing the IPR issues Internationally or cross-border warrant further measures as it can severely affects the national income-generation ability.

Another industry is the pharmaceutical which is encouraged under the National Key Economic Area. Lee and Lim (2021) reported that there was a case of the HIV medicine “Kaletra,” which is made up of two anti-retroviral drugs, ritonavir and lopinavir. The underlying chemical compounds’ patents were due to expire in 2014 and 2016. It was expected that by 2016, the generic product should be made available by the generic vendors. Unfortunately, because Abbott Laboratories, the patent holder, filed a series of follow-on secondary patents, it resulted in the generic compound to be off the market until at the year 2028, which is 12 years after the primary compound patents expire and 39 years after the initial patent for the drug was filed. Although a process patent allows a patented medicine or drug to be made by a different manufacturer using a different procedure, holding a product patent prevented its reproduction even if it uses a different procedure. Therefore, while IPR can protect the patent holder, it can also restrict the access to securing the national health initiatives.

Significant Cost in Producing Prototypes

A prototype is a representation of a final product or entity at an early stage of development. The role is to brief a manufacturer or check pre-production requirements. They are often necessary, but can be excessively expensive due to its aesthetic, functional, and operational constraints, hence, sometimes may not be necessary. According to National White Collar Crime Center (2004), the “risk” and “indivisibility” issue that the Research & Development frequently faced requires significant investment in time and financial. If an attempt to invent something is unsuccessful, then the expenses incurred during the process will not yield any significant economic benefit for the inventor. On the other hand, if the invention is successful, then the initial prototype is typically much more expensive than the subsequent copies, although in a free market, the price is more closely linked to the latter. Hence, the need for a prototype as part of IPR measures outweigh the perceived quantitative benefit.

Association of IP Fraud and White-Collar Crime

The National White-Collar Crime Center (2004) define white-collar crime as “an illegal act or series of illegal acts committed by nonphysical means and by concealment of guile, to obtain money or property, to avoid the payment or loss of money or property, or to obtain business or personal advantage”. In other words, this can be understood as an offence perpetrated by people of upper social position. IPR violations are commonly regarded as part of White-Collar Crime (WCC) that also promotes other form of WCCs, for instance investment fraud, money laundering, and identity theft. This is because the misappropriation of IP often opens the opportunity to obtain symbols of legitimacy that is a company’s trademark for fraudulent sales. More importantly, the typical profile of WCC criminals which are able to exploit their position to commit financial crime often makes the police reluctant to initiate a crime investigation.

Another example of WCC is the trading of counterfeited copies from illegal reproduction of a movie as it involves the acquisition of property through deception, or fraud, for business or personal advantage. The sale of counterfeited drugs also involves deception about the manufacturer or content for illegal financial gain, and the illegal use of a trade secret to develop a marketable product involves deception concerning the true ownership an idea or information. If no efforts are taken to curb this crime, it may pose another hurdle for the country in materialising the national strategic plan.

PREVENTIVE MEASURES TO ERADICATE INTELLECTUAL PROPERTY FRAUD IN MALAYSIA

Measures Taken by Organization

The Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework, which was established in 1992, is the most well recognized internal controls system. The basics have not altered since then, despite the fact that it has been updated. Internal control is defined by COSO as follows:

“Internal control is a process, effected by an entity’s board of directors, management, and other personnel, designed to provide reasonable

assurance regarding the achievement of objectives relating to operations, reporting and compliance.”

The well-known COSO cube includes five interconnected components that span three categories of goals and organizational levels. COSO’s architecture stays relevant and successful even when new technologies emerge, such as cloud computing and artificial intelligence. The framework recognizes that technology advancements provide both benefits and hazards. When utilized correctly, technology may help organizations better address COSO’s 17 principles across five components.

For example, there are an increasing trend among the companies in Malaysia to use predictive models in their strategic personnel planning to forecast employee movement or behavioral analytics in finding suitable candidates to fit the corporate culture. As the AI uses data science, it allows controls that can address competency retention in a proactive manner. Simultaneously, the AI can track almost everything that signals any intellectual property fraud engagement (PwC, 2019). Powerful as it may seem, it changes the way organizations design and operate controls, which means that the control can be disrupted with technology. Every layer of internal control is now being transformed, and modern-day Governance Risk and Compliance (GRC) technologies are being illustrated based on the businesses that are digitizing their entire approach to control governance, including culture and conduct.

Enforcement of Laws and Regulations to Resolve IP Fraud

Under the Malaysia’s Copyright Act of 1987, all copyright owners are granted with legal, moral, and economic rights. In the event of copyright infringement, copyright owners have the right to take legal action against the perpetrators. While moral right allows the creator to claim the creation’s uniqueness, which include the ability to prohibit illegal mutilation, distortion, or modification of the author’s work; economic rights encompass the right of public communication, reproduction, performance, distribution, and commercial leasing, allowing the creators to receive financial benefits through the use of their works for commercial purposes.

Next, the Malaysian Arbitration Act 2005, according to Penal Code, governs arbitration in Malaysia (Act 646). The Arbitration Act, which repealed the Arbitration Act 1952 (Act 93) and the Convention on Recognition and Enforcement of Foreign Arbitral Awards Act 1985 (Act 320), is a contemporary arbitration legislation based on the UNCITRAL Model Law on International Commercial Arbitration. An Arbitration Agreement can be defined in Section 9 of the Arbitration Act 2005 as an agreement between the parties to subject all or specific disputes that have occurred or may arise between them in connection with a defined legal relationship, whether contractual or not, to arbitration. Section No. (9) further specifies requirements regarding the form of the arbitration agreement; which may be in the form of an arbitration clause or a separate agreement. The arbitration agreement is in writing if it is contained in (i) a document signed by the parties; or in (ii) an exchange of letters, telex, facsimile or other means of communication which provides a record of the agreement; or (iii) an exchange of statement of claim and defense in which the existence of an agreement is alleged by one party and not denied by the other.

Whereas the Malaysia’s Trademarks Act 2019 went into effect on January 1, 2019. The Act abolished the Trademarks Act of 1976 and is viewed as necessary in allowing Malaysia to comply with not just contemporary business needs and complexity, but also international norms and processes. The Trademarks Regulation 2019, which were published in the Government Gazette on December 27, 2019, are also now in effect. The following are some of the most important changes brought about by the Act:

(i) Malaysia’s Accession to the Madrid Protocol

Malaysia has become the 106th country to join the Madrid Protocol after depositing its instrument of accession with the World Intellectual Property Organization (WIPO). The Protocol went into effect in Malaysia on December 27, 2019, the same day as the Act went into effect. With the Protocol’s acceptance, international trademark registration is now possible, allowing brand owners to protect their marks in any of the 121 countries that are members of the Madrid system by filing a single application in a single language and paying a single cost (Penal Code, n.d.).

(ii) Registration of Non-Traditional Mark

Under the Act, apart from registration of word and logo mark, there are now “non-traditional marks”, that is, sound, color, shape, scent, hologram, positioning, sequence of motion, shape of goods or their packaging or any combination thereof that are registrable if they are signs that are capable of being represented graphically and capable of distinguishing goods or services of one undertaking from those of other undertakings.

(iii) Stricter Law Against Infringement Action

Infringement action can now be brought against any unauthorized third party who uses a sign that is identical to a registered mark in connection to products or services that are similar (rather than identical) to those for which the mark is registered or for using a sign that is similar (rather than identical) to a registered mark in connection to products or services that are identical to or similar to those for which the mark is registered (as opposed to identical under the prior Act).

CASE STUDIES ON TRADEMARK INFRINGEMENT AND THE PASSING OFF CASE IN MALAYSIA

In this section, selected related cases on trademark infringement were described to provide an overview of the Malaysia setting.

Case 1: Mesuma Sports Sdn Bhd v Majlis Sukan Negara Malaysia

The case took place in September 2014 under the reference Mesuma Sports Sdn Bhd v Majlis Sukan Negara Malaysia [2014] 1 LNS 1054. The appellant is Mesuma Sports Sdn Bhd (“Mesuma”) who was a contract supplier to the Respondent, Majlis Sukan Negara Malaysia or the Malaysian Sports Council (“MSN”). It began in 2005 where MSN and the Malaysian Ministry of Youth and Sports had jointly organised a contest in new design for Malaysian athletes’ jerseys. The result was revealed on 14th November 2005 and Tiger Stripes Design (“the Design”) was announced as the winner. In the same year, the design was adopted into the Malaysian contingent’s jerseys in conjunction of the Southeast Asian Games (SEA Games). MSN had ordered Mesuma to supply the athlete’s jerseys using the design in 2006.

However, on 9th July 2009, Mesuma had claimed that they were the owner of the design and registered the design under Classes 18 and 25 which was granted in 2011 under the reference TM Nos. 09011365 and 09011366. Having noticed the registration made, MSN had filed a suit to nullify Mesuma’s registration due to its capacity as the rightful owner. As the design had been widely known by the nation, the High Court held that Mesuma had misappropriated the design which was then appealed by Mesuma.

Prior to succeeding the claim, the High Court established that MSN was “a person aggrieved” under Sections 45 and 46 of the Malaysian Trademarks Act 1976 (“the Act”) that gives the definition of “someone who has some element of legal interest, right or legitimate expectation in its own mark which is being substantially affected by the presence of the registered trade mark. It does not apply to an infringer of the said registered trademark.” The rectification of the Trademark Register was instructed by the Court by removing the two trademarks registered in Mesuma’s name due to their misrepresentation during the filing of application. Hence, the registration was against the law and done in bad faith under Section 46(1) (a) of the Act.

Case 2: Ho Tack Sien & Ors v Rotta Research Laboratorium SpA & Anor

The case was under the reference Ho Tack Sien & Ors V Rotta Research Laboratorium Spa & Anor (Registrar of Trademarks, Intervener) 2015 4 MLJ 166. There were two appeal cases, where in the first Civil Appeal No 02–7–03 of 2013(W) the Appellants were the Defendants whilst in the second case Civil Appeal No 02–13–04 of 2013(W) the Appellants were the Plaintiffs.

The first Plaintiff namely Rotta Research company was established in Italy with the nature of business in producing Viartil-S, a medicine for treatment of osteoarthritis. Additionally, they are the registered trademark proprietor of Viartil-S in Malaysia since 8th July 1976. The second plaintiff, known Antah Pharma Sdn. Bhd. is a Malaysia-based company and has been the distributor appointed by the first plaintiff for the sale of Viartil-S.

The first defendant named Ho Tack Sien is a pharmacist and was employed by the subsidiary

company of the second plaintiff. However, he was dismissed for serious breaches of confidentiality of information and acting in conflict of interest of the second defendant. While the second defendant is Chai Yuet Ying, the wife of the first defendant, is also a pharmacist and was engaged by the second plaintiff on 15th April 1998 on a part-time basis, but later was terminated on 21st May 2001. The third defendant is Advance Pharma Sdn. Bhd., a company incorporated by the second defendant and the first defendant's father that engaging as a distributor and seller of Atril-250 which was registered on 10th September 2002. The rest of the defendants such as Hovid Sdn. Bhd. (fourth defendant), Schmidt Biomedtech Sdn. Bhd. (fifth defendant) and AV Manufacturing Sdn. Bhd. (sixth defendant) are the appointed manufacturers of Atril-250 by the third defendants.

The plaintiffs claimed that their intellectual property on Viartril-S have been infringed by the defendants and further alleged that the fifth and sixth defendants manufactured, distributed, sold or offered to sell the product under the name of Atril-250 which possessed a similar colorable and deceptive imitation of the first plaintiff's trademark. Nonetheless, the Federal Court has provided guidance in holding that the defence to infringement by pleading use of a registered mark may only be relied upon to the extent that the registration is valid. This is consistent with the English case of *Berlei (UK) Ltd v Bali Brassiere Company Incorporated* [1970] RPC 469 where it was held that the defense under Section 4(4) of the UK Trademarks Act 1938 (which is substantially similar to the Malaysian Section 40(1)(f) of the TMA) is afforded only to a proprietor of a trademark registration which is valid.

Case 3: A K Koh Enterprise Sdn Bhd v A1 Best One Food Industry Sdn Bhd

Another case in Malaysia that relate to a trademark dispute was between A.K. Koh Enterprise and A1 Best One Food Industry Sdn. Bhd. The plaintiff, A.K. Koh Enterprise Sdn, Bhd, is a manufacturer and merchant for spices and spice preparation for Bah Kut Teh since 1987, trading under the retail name of Koh Enterprise. The business of Koh Enterprise was taken over by the plaintiff, a Sdn. Bhd. company established on 21st September 1990.

The plaintiff is the owner of the trademark, which have been registered on 18th October 2001 under Registration No: 0103763 in respect of goods in Class 30 and Registration No: 08024789 registered on 17th December 2008.

This case was an appeal against the decision of the Registrar of Trademarks ('the Registrar') dated 18th February 2013 permitted the defendant's registration, A1 Best One Food Industry Sdn. Bhd.'s trademark under the Application No: 09050016 filed in Class 30 in respect of Bah Kut Teh Spices. The decision of the Registrar was made under s 28(4) of the Trademarks Act 1976 ("the TMA 1976") after the plaintiff has filed an opposition against the registration of the defendant's said trade mark application dated 22 January 2009. The plaintiff seeks to set aside the Registrar's decision to register the defendant's trademark application and the dismissal of the plaintiff's opposition. The plaintiff further requests that the defendant's application for trademark registration to be denied.

However, the case was appealed by the Plaintiff and the High Court decided that the Defendant's mark applied was indistinguishable to the Plaintiff's mark. The Court decided that the Registrar had erred in his decision in permitting the registration of the Defendant's trademark by simply comparing at A1 logo element of both parties as the The Registrar should have compared the subject mark as a whole. This comprises the arrangement, the layout, the get-up, the color scheme and the logo thus preventing the probability of doubt and deception to the crowd due to the similarities of both trademark. Additionally, both trademarks were used in trading product of Bah Kut Teh soup spices thus sharing mutual retail channels and target market. Hence, the registration of the subject mark contravened ss 14(1) (a) and 19(1) of the TMA 1976 (paras 26-30) due to the possibility of causing confusion and deception.

Case 4: Mutiara Rini Sdn Bhd v The Corum View Hotel Sdn Bhd

This was a case involving a motion for Summary Judgment on the grounds of trademark infringement and passing off. The Plaintiff is the developer of the retail complex The Curve in Mutiara Damansara and the proprietor of the trademark "THE CURVE theCurve E@CURVE" in Classes 35, 36, and 43. The mall is well-known among Malaysians, especially

those who live in the Klang Valley. The Defendant, on the other hand, ran a hotel named “The Curve Hotel,” which was located in the northern state of Penang. The Defendant altered the name of its hotel to “The Corum View Hotel” after getting a warning notice.

Despite the above, the Plaintiff continued to file a civil complaint as well as a summary judgement application. The Defendant confessed that it used a mark that was identical to the Plaintiff’s registered marks throughout the application’s hearing. Plaintiff had also demonstrated that it possessed the necessary goodwill and reputation as a result of its registered trademarks’ usage. As a result, the motion for summary judgement was granted.

To conclude, the cases highlighted above signify the importance of the registering and protecting IPRs in Malaysia, the potential consequences of infringing upon those rights, the importance of conducting due diligence to ensure that a particular mark or design is available for use and registration, the importance of understanding the legal framework governing IPRs in Malaysia, the importance of complying with contractual obligations and the potential consequences of breaching those obligations. These insights would help businesses and individuals to protect their IPR and to avoid potential legal disputes and losses. Additionally, it shows how the Malaysian trademark regulation has grown and strengthen its role, as evidenced by the largest number of submissions to date, as well as the Registry’s enhanced services in facilitating trademark registration. On the opposite end of the protection range, the many judgments cited above demonstrate that the courts will continue to defend the rights of the statutory and common law of the trademark owners. Thus, the accession to the Madrid Protocol is believed to be a beneficial addition to the growing panorama of trademark concerns in the country.

CONCLUSION

Managing IPR is a multifaceted undertaking that necessitates a variety of activities and tactics that must be matched with the national laws as well as international treaties and norms. Market demands, market reaction, and the expense of converting intellectual property into a commercial enterprise, among other factors, have a significant impact on

intellectual property and its related rights. In other words, concerns of trade and commerce are crucial in the administration of intellectual property rights. Various types of IPR need different treatment, management, planning, and tactics, as well as the participation of people with varying subject knowledge.

Antitrust law must step in to guarantee that invalid IPR are not being unlawfully asserted to establish and perpetuate illegitimate monopolistic monopolies within this business, given the growing likelihood that certain IPR are invalid. The are establishment on the IPR law such as Copyright Act 1987, Arbitration Act 2005 and Trademarks Act 2019 help to curb any fraudulent act on intellectual property rights in Malaysia. Thus, it can protect these IPR from being manipulated by fraudsters to gain illegal benefits.

In summary, Malaysia has made significant progress in preventing infringement and fraud cases related to IPRs, and its efforts have been recognized by international organizations such as the World Intellectual Property Organization (WIPO). However, challenges still remain, and Malaysia will need to continue to strengthen its enforcement mechanisms and raise awareness among its citizens in order to fully realize the benefits of a strong IPR regime.

ACKNOWLEDGMENTS

We would like to thank the Faculty of Accountancy, Universiti Teknologi MARA for their support and funding of this project.

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