



Trademark Law in Cambodia

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INTRODUCTION

Trademarks provide their owners the right to prevent rivals from using identical or confusingly similar marks and trade names on their goods and services. This publication is meant as a straightforward guide to the registration and enforcement of trademarks within the Kingdom of Cambodia. It draws on the Law itself, coupled with advice and interpretation based on professional experience.

In February 2002, the National Assembly adopted the Law on Marks, Trade Names and Acts of Unfair Competition. This was followed in 2006 by a Sub-Decree on its implementation.¹ As the legislation, and indeed much of the Cambodian legal system, is so recent, trademark law is not as developed or sophisticated as in many countries. There remain significant gaps and unresolved questions in the law, as well as many provisions which are not uniformly applied in practice.

While the guide discusses all major topics in trademark law, it is not exhaustive. The reader is therefore advised to consult the law itself, or ideally, a legal practitioner experienced in Cambodian trademark law.

PROTECTABLE SUBJECT MATTER

Cambodian trademark law protects trademarks, service marks, collective marks, and trade names. The definitions resemble those of many other countries and treaty agreements.

Trademarks and service marks are defined as any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise. This definition excludes non-visible marks, such as smell, sound, or taste marks. Although not specifically addressed in the law, three-dimensional trademarks can also be registered if they comport with the statutory requirements of “distinctiveness.” Depending on the circumstances, it may be easier to register a product as a three-dimensional trademark than as an industrial design.

Collective marks must be a visible sign capable of distinguishing the origin or any other common characteristic, including the quality, of goods or services of different enterprises which use the sign under the control of the registered owner of the collective mark.

A trade name means the name and/or designation identifying and distinguishing an enterprise. According to the Article 21 of the Trademark Law, unregistered trade names are protected against any “unlawful act.” Nevertheless, it is wise to register one’s business name as a trademark, as it strengthens one’s rights and simplifies enforcement.

Geographical Indications (“GI”) are registerable under a government regulation, as the National Assembly drafts a full GI bill to comply with Cambodia’s TRIPS obligations.²

1 Sub-Decree No. 64 on the Implementation of the Law concerning Marks, Trade Names and Acts of Unfair Competition

2 Prakas No 105 on the Procedures for the Registration and Protection of Geographical Indication Marks

REGISTERING A TRADEMARK IN CAMBODIA

Trademarks are registered with the Ministry of Commerce's Department of Intellectual Property (DIP). Cambodia uses a first-to-file system, so the use of a mark is not required when filing an application. Applications and supporting documents may be in either Khmer or English; documents in other languages must be accompanied by a Khmer or English translation. Foreign applicants must be represented by an agent residing and practicing in Cambodia.

The application process begins with the filing of an application form (provided by the DIP free of charge), fifteen specimens of the mark, and if filed by an agent, an original notarized power of attorney. The accuracy of the power of attorney document is particularly important, as the DIP will use that information when drafting the final Certificate of Registration. The applicant must also pay the official fees upon filing, which are proportional to the number of marks and classes desired.

For priority claims under the Paris Convention³, the applicant must include information regarding the international application to which the Cambodian application claims priority.

Although not a signatory, Cambodia follows the Nice Agreement in classifying goods and services.⁴ The applicant must specify the particular goods or services, as the Nice class heading is not acceptable. Marks with figurative elements must be described using the Vienna Classification.⁵ Marks containing foreign words are registerable, but the applicant must provide a transliteration and translation.

Once complete documentation has been submitted, and unless the DIP rejects the mark, the process of registration typically takes around six months. If the DIP decides that all the legal requirements are fulfilled, they will issue a certificate of registration to the applicant and publish the mark in the Official Gazette of the Ministry of Commerce.

BARS TO REGISTRATION

The Trademark Law sets forth six specific bars to registration. A mark cannot be validly registered, and is subject to opposition and invalidation if it is:

- Incapable of distinguishing the goods or services of one enterprise from those of other enterprises;
- Contrary to public order or good custom;
- Likely to mislead as to the origin of the goods or services concerned or their nature or characteristics;
- Identical with, or is an imitation of or contains as an element, an armorial bearing, flag and other emblem, a name or abbreviation or initials of the name of or official sign or hallmark adopted by any State, intergovernmental organization or organization created by an international convention, unless authorized by the competent authority of that State or organization;
- Identical with, or confusingly similar to, or constitutes a translation of a mark or trade name which is well-known and registered in the Kingdom of Cambodia for goods or services which are not identical or similar to those in respect of which is applied for, provided that use of the mark in relation to those goods or services would indicate a connection between those goods or services and the interests of the owner of the well-known mark are likely to be damaged by such use; or
- If it is identical with a mark belonging to a different proprietor and already

³ Paris Convention for the Protection of Industrial Property, adopted March 20, 1883.

⁴ International Classification of Goods and Services for the Purposes of the Registration of Marks, adopted June 15, 1957.

⁵ International Classification of the Figurative Elements of Marks, adopted June 12, 1973.

on the Register, or with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services, or it is so nearly resembles such mark as to be likely to deceive or cause confusion.

In practice, if the DIP decides that a mark should not be registered, it will inform the applicant via a Notice of Preliminary Rejection. The reason for rejection is typically only a short phrase, and a list of prior registrations which the DIP finds confusingly similar. The applicant then has sixty days to apply for a hearing or submit written arguments as to why it should be registered. Failure to respond is deemed to constitute an abandonment of the application.

MAINTAINING A TRADEMARK

The initial registration is valid for ten years from the date of filing, and may be renewed indefinitely for consecutive ten-year periods. The application for renewal may be made within six months preceding the expiration, or six months following with payment of a late fee.

In the year following the fifth anniversary of the initial registration date, and each renewal registration date, the mark owner must submit an Affidavit of Use or Non-Use, and pay the official fee. The owner thereby states that either the mark is currently in use in Cambodia, or that it is justifiably not in use but is intended to be used, and there is no intention to abandon the mark. Failure to submit the affidavit will lead to automatic cancellation by the DIP.

The owner also has continuing obligations to register changes of name and address, mergers, assignments, and changes of agent. Each of these procedures requires submission of a form and supporting documents, and payment of the official fee.

PUBLICATION AND OPPOSITION

Once the mark is registered and the certificate issued, the DIP will publish a reference in the Official Gazette of the Ministry of Commerce. The published information contains the filing and priority date (if any), the mark itself, application and registration numbers, class, names and addresses of the owner and agent (if any). The Official Gazette is available in hard-copy format only.

Within ninety days of publication, an interested person may give notice of opposition to the DIP. A registration may be opposed on the grounds that it does not meet the definitional requirement for a mark, it is barred under one of the six statutory bars described above, and/or the procedures were improperly followed. The notice of opposition is then forwarded to the applicant, who can choose to submit a counter-statement within ninety days. If no counter-statement is submitted, the registration is deemed abandoned. But if a counter-statement is submitted, following a hearing, the DIP will decide whether the registration should be cancelled. A decision by the DIP can be appealed to court within three months of the decision.

INVALIDATION, REMOVAL, AND CANCELLATION

Even after the 90-day opposition period, interested parties can request the invalidation, removal from the Register, or cancellation of a registered mark.

Any interested party may request the invalidation of a mark on the grounds that it does not meet the definitional requirements, or is barred by a statutory bar. Failure to abide by proper procedure, while a valid basis for opposition, is not applicable to invalidation requests. Invalidation requests are deemed effective as of the date of registration.

Furthermore, any interested party may request the removal of a mark from the Register on the grounds that up to one month prior to the request, the mark had not been used by the owner, or

a licensee, during a continuous five-year period. However, the law provides an affirmative defense for when “special circumstances” prevented the use of the mark, and there was no intent to not use or abandon the mark. In practice, this article allows interested parties to request removal for marks where the owner has not filed the required Affidavit of Use.

Finally, the DIP has the right to cancel a mark under certain conditions. While the Law is silent on this matter, there is nothing to prevent an interested party from requesting the DIP to cancel a mark under these provisions. They therefore act as a second set of grounds for third-party invalidation. The six grounds on which the DIP may cancel a registration are:

- The mark has not been renewed within the proper time period;
- The owner requests removal;
- The owner had failed to timely comply with registration procedures;
- The owner ceases to have an address for service in the Kingdom of Cambodia;
- It is convinced upon evidence that the owner of the registration is not the legitimate owner; and
- It is convinced that the registered mark is similar or identical to a well known-mark owned by a third party.

Although the text of the Law treats opposition, invalidation, removal, and cancellation as separate concepts in different articles, there is considerable overlap in substance and procedures.

COLLECTIVE MARKS

The Law defines collective marks as “any visible sign [...] capable of distinguishing the origin or any other common characteristic, including the quality, of goods or services of different enterprises which use the sign under the control of the registered owner of the collective mark.” Collective marks follow the same registration, opposition, cancellation, invalidation, and removal procedures as regular marks.

The only additional requirement for collective marks is that the applicant must submit a copy of the regulations governing its use. These regulations must define i) the common characteristics or quality of goods or services, ii) the conditions which the users must follow, iii) the means for effective control of the users, and iv) adequate sanctions for breach of the regulations. Furthermore, the owner has an ongoing obligation to notify the Registrar in writing of any changes to its regulations.

As for invalidation, the law provides for three grounds in addition to those applicable to regular marks:

- Only the registered owner uses the mark;
- The owner uses or permits its use in contravention of its stated regulations; and
- The owner permits its use in a manner liable to deceive trade circles or the public as to the origin or any other common characteristics of the goods or services concerned.

Finally, collective marks may not be licensed. Only the owner of a collective mark has the right to authorize others to use its mark, and they may not license others this right. To grant another such authorization must be done through an assignment, where the assignee becomes the new owner of the collective mark.

LICENSING

Registered marks may be the subject of license contracts. Licenses must provide for effective control by the licensor of the quality of the goods or services of the licensee. Further, the licensor must effectively enforce these quality-control provisions. Failure to include or enforce such provisions can lead to the invalidation of the license. Interestingly, the Law does not provide for the invalidation of the registration itself, it simply renders the license contract invalid.

Of particular importance is the requirement that every license contract be submitted to the DIP. Therefore any unrecorded license contract has no effect as against third parties. The DIP will publish a reference to the license in the Official Gazette, while keeping the terms of the contract confidential.

INFRINGEMENT

There are two standards for infringement of regular (not well-known) marks – a narrow and strong standard, and a broader and weaker one.

Under the first test, the unauthorized use of the exact registered mark is infringing only if it is used in relation to the exact goods or services for which it has been registered. A slight modification of the mark, or the use of the exact mark but on a slightly different product from that registered, would not be infringing.

Under the second standard, use of a sign similar to the registered mark, on goods or services similar to those for which the mark has been registered, is infringement only if confusion may arise in the public. This second standard broadens the scope of similarity and of the goods or services, but adds the limitation that public confusion must arise.

The Law accords greater protection for well-known marks, though without ever defining the term. Infringement of *unregistered* well-known marks is evaluated using the same two-part test as for regular marks. *Registered* well-known marks use this same standard, but also are protected from use on any good or service which would indicate a connection with the owner, and the owner's interests are likely to be damaged.

A trademark owner has the right to prevent others from infringing their mark, and performing acts which make it likely that infringement will occur. This second clause could be read to include contributory or vicarious liability. For example, the landlord of a market where infringing goods are sold could be said to be “performing an act” (providing physical space) where infringement (sales of infringing goods by tenants) is likely to occur. Although this is a plausible reading of the statute, and would be the law in many jurisdictions, the author knows of no such case or official interpretation in Cambodia to date.

CIVIL REMEDIES, CUSTOMS SUSPENSION, AND CRIMINAL PENALTIES

A trademark owner can attack infringement in three different ways: i) sue for money damages and/or specific relief in civil court, ii) request the customs authorities to suspend clearance of imported infringing goods, and iii) seek criminal prosecution and/or fines.

Only the mark owner, or a licensee under certain conditions, may seek civil remedies for trademark infringement. A civil court has the power to grant an injunction, award monetary damages, and other relief as provided in the general law. The Trademark Law does not specify any method of calculating damages. The court also has the power to order provisional measures, otherwise known as a preliminary injunction or temporary restraining order, to prevent infringement, imminent infringement, or preserve evidence. In considering such a request, the court should evaluate the likelihood of irreparable harm and the strength of the infringement case. Further, in order to protect the defendant and prevent abuse, the court has discretion to require a security or other assurance

from the applicant. An applicant could also be liable for damages to the defendant if the provisional measure is overturned or loses the case on the merits. Bringing an infringement suit in civil court can be a time-consuming and expensive process given systemic problems in the Cambodian judiciary, but offers the reward of money damages.

Second, a trademark owner can request the customs authorities, or a civil court, to suspend customs clearance and destroy counterfeit goods. As Cambodia's manufacturing base is relatively narrow, most infringing goods are imported from abroad. Only clear-cut cases of infringement are amenable to this procedure, as the standard for "counterfeit goods"⁶ is significantly higher than that used for civil cases. The process begins with the submission of a statement showing a prima facie case that the goods are counterfeit, a description of the goods, proof of trademark registration, information on the applicant and payment of an official fee. The authorities can require the applicant to provide a security or other assurance. Within ten working days of this submission, the authorities must notify the applicant whether the application has been granted, rejected, or reserved for further consideration. If the application is granted, the customs authority will suspend clearance of the goods for a defined period, extendable for not more than ten working days. The applicant then has ten working days to initiate a civil infringement case, or else the goods will be released from customs. If the authorities deem the applicant's case to be wrongful, they have the power to order payment of compensatory damages to the importer. Finally, the customs authorities, with court approval, can order the destruction of counterfeit goods. While customs clearance doesn't offer the trademark owner monetary damages, it can be far quicker than instituting a civil infringement case.

Third, a trademark owner can request criminal prosecution of the infringers. The penalty for standard infringement (not counterfeiting) is five to ten million Riels (~US\$1,250 to US\$2,500), or one month to one year imprisonment, or both. The penalty for counterfeiting is one to twenty million Riels (~US\$250 to US\$5,000), or one to five years imprisonment, or both. Repeat offenders are subject to up to double these penalties. Where the defendant is a juristic person (such as a company), the managing director, manager or representative can be criminally prosecuted, unless they can prove they neither knew of, nor consented to the infringement.

UNFAIR COMPETITION

Acts of unfair competition are also prohibited under the same law that protects trademarks. The unfair competition provisions are short, broad and vague. Any act of competition contrary to "honest practices" in business is prohibited. The Law then lists three types of behavior as specifically, but non-exclusively, forbidden:

- All acts which create confusion with the establishment, the goods, or services of a competitor;
- False allegations which discredit a competitor or a competitor's goods or services; and
- Indications or allegations which are liable to mislead the public as to the nature, manufacturing process, characteristics, suitability, or quantity of goods.

As with much of Cambodian law, there appears to have been no official interpretation or precedential cases explaining these provisions.

⁶ "Counterfeit trademark goods" means any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the country of importation.