# How Are Border Control Measures Enforced to Safeguard Trademark Rights in Myanmar?

Intellectual property rights are essential for fostering innovation, creativity, and economic growth. In an effort to safeguard these rights, Myanmar has implemented a customs recordal procedure, as stipulated in the new Trademark Law under Sections 68-76. In addition, Myanmar's Ministry of Planning and Finance issued Notification No. 50/2023, which sets out the rules, requirements, and procedures for registered trademark owners to protect their intellectual property rights through customs recordation. This procedure empowers right holders to take swift action against counterfeit goods entering the country's trade routes. By providing a clear framework for examination and decision-making, the law aims to protect the interests of intellectual property rights holders and foster a conducive environment for legitimate trade.

## 1. Customs recordal for trademarks with Myanmar Customs

Processes and timeline for customs recordal in Myanmar:

Trademark owners registered under the Trademark Law 2019 in Myanmar can apply for customs recordation to protect their marks against counterfeit goods in cross-border trade. The application, along with specified documentation, is submitted to the Customs Department, either directly or through a legal representative. If accepted, the Customs Department issues a registration number within 15 days. Recordations are valid for two years and can be renewed before expiration. The renewal application should be submitted at least 30 days before the expiration date to maintain the protection for an additional two-year period. Owners must notify the Customs Department within three working days of any mark-related information changes at the Intellectual Property Department and provide necessary documentation. These measures ensure effective trademark protection in cross-border trade.

Processes and timeline for customs suspension upon detecting infringement:

The customs suspension process in Myanmar allows owners of trademarks registered under the Trademark Law 2019 to request the prevention of goods from entering free circulation if there are sufficient grounds to suspect that counterfeit goods are being or will be imported into the country. Whether or not a customs recordation has been filed, trademark owners can apply for a suspension order. The application can be submitted in either English or Myanmar language, with a possible translation required upon the Customs Department's request. Applications can be submitted in person, by post, or electronically.

Upon receiving the application, the Customs Department will inform the applicant about the outcome within 30 days. If the application is accepted, the applicant must comply with the directed security payment (the specific amount is not yet specified) within five working days from the date of the suspension order. Failure to pay the security within the specified timeframe will result in the rejection of the application. This process allows trademark owners to take swift action to prevent the import of counterfeit goods and protect their intellectual property rights in Myanmar's market.

### 2. Customs suspension - Required documents, process and timeline

### 2.1. Required documents:

IPR holders, typically the owners of registered trademarks, are entitled, as provided under Section 68 of Myanmar's Trademark Law, to act against suspected counterfeit goods. If there is sufficient evidence suggesting that such goods are being imported, in the process of being imported, or will be imported into Myanmar, right holders can apply to the Director-General of the Customs Department. This application seeks an order to suspend the flow of these counterfeit-marked goods into the country's trade routes.

The evidence to be submitted, while not limited to the following, should be substantial and credible to support the claim of suspected counterfeit goods:

- (i) A valid and registered trademark certificate in Myanmar;
- (ii) Presentation of the original product packaging or labels, showing the genuine trademark design, logo, or branding used on the authentic goods;
- (iii) Samples of the suspected counterfeit goods, clearly indicating the presence of unauthorized use of the trademark;
- (iv) Identification of specific shipments or imports that the right holder believes contain counterfeit goods, along with relevant customs declarations and import documents;
- (v) Market surveys or investigation reports that demonstrate a prevalence of suspected counterfeit goods bearing the same trademark in Myanmar;

- (vi) Test purchases of suspected counterfeit goods from the market to support the claim of infringement;
- (vii) Evidence of online listings or advertisements for the suspected counterfeit goods bearing the trademark, and
- (viii) Information related to the origin of the suspected counterfeit goods, including details of the manufacturer, exporter, and shipping details.

#### 2.2. Process and timeline

#### 2.2.1 Clear Responsibilities for Customs Department

The customs recordal process under Section 68 involves several steps carried out by the Director-General of the Customs Department as detailed as follows:

Application Receipt: When the Director-General receives an application from a right holder (usually the owner of a registered trademark), the process begins.

Application Review: Within 30 days of receiving the application, the Director-General must assess its completeness and validity.

Acceptance or Refusal: The Director-General then informs the applicant whether the application is accepted or refused. If accepted, the process moves forward. If refused, the applicant may be asked to provide more information.

*Request for Additional Information*: If the application lacks sufficient details for examination, the Director-General may request the applicant to provide additional information. In such cases, the decision-making process may be extended by up to 15 days.

*Guarantee Requirement*: Additionally, the Director-General can ask the applicant to provide a guarantee as per the rules and regulations while submitting the application. This guarantee ensures that the claims made by the right holders are genuine and supported.

#### 2.2.2 Swift Suspension of Counterfeit Goods

The process for swift suspension of goods bearing counterfeit marks, as outlined in Section 70, can be summarized as follows:

*Customs Suspension Application*: When the Director-General of the Customs Department receives a customs suspension application, they have the authority under Section 70 to act promptly.

Acceptance or Sufficient Evidence: The Director-General will swiftly suspend the entry of goods if the application is accepted or if sufficient evidence of counterfeit marks is found during customs examination.

*Immediate Notification*: Both the right holder (usually the owner of the trademark) and the importer will be promptly notified about the suspension of the goods.

*Inspection Permission*: To confirm the claim of counterfeit marks, the Director-General allows the applicant and the importer to thoroughly inspect the suspended goods. This inspection is conducted without disclosing any confidential information.

#### 2.2.3 The notification of suspension and the necessary actions

*Suspension Notification*: Once the right holder is notified about the suspension of goods under Section 71, a 15-day period begins.

*Legal Procedures Commencement*: During this 15-day window, the right holder has the option to inform the Director-General of the Customs Department that they have initiated legal procedures to assess the case's merits.

*Intellectual Property Rights Court Delay*: Alternatively, the intellectual property rights court can inform the Director-General if there is a delay in taking temporary action for the suspension of goods. This ensures coordination between the court and customs authorities.

*Failure to Inform*: If the right holder does not inform the Director-General within the 15-day period, the goods will be released from suspension. Prompt communication is vital to maintain the suspension.

*Extension in Appropriate Cases*: In certain circumstances deemed appropriate, the Director-General can extend the suspension for an additional 15 days before the initial 15-day period expires. This extension allows for a fair and thorough examination of the case.

*Perishable Goods*: For perishable goods, the suspension period is limited to three days. This time constraint considers the urgency of handling such goods.

## 2.2.4 Reexamination by Intellectual Property Rights Court

The importer (the alleged infringer) is entitled, under Section 72, to seek reexamination by applying to an intellectual property rights court with the appropriate jurisdiction upon receiving a notice of suspension. The court has a maximum of 30 days to amend, revoke, or confirm the suspension period, thereby ensuring efficient resolution.

# 2.2.5 Fair Compensation and Responsibility

Sections 73 and 74 ensure fair and balanced compensation for both parties depending on the court's findings in the case of suspected counterfeit goods. If the court confirms that the goods indeed use counterfeit marks, the importer (the alleged infringer) is liable for expenses incurred in storing, destroying, or removing the goods. Failure to pay these expenses enables the right holder to reclaim them from the importer. Conversely, if the court determines that the goods do not use counterfeit marks, the right holder must compensate the importer for damages determined by the intellectual property rights court due to the wrongful suspension and temporary custody of such goods.

# 2.2.6 Exceptions and International Cooperation

Section 75 excludes goods bearing counterfeit marks brought as passenger luggage for personal use from the provisions of this chapter. Section 76, on the other hand, emphasizes international cooperation, allowing the Director-General of the Customs Department to exchange information regarding goods suspected of using counterfeit marks with relevant global bodies or other countries' customs departments.

### Final thoughts

Myanmar's customs recordal procedure, outlined in Sections 68-76 of the new Trademark Law, marks a significant step towards bolstering IPR protection in the country. By empowering right holders and implementing clear procedures and responsibilities, Myanmar is making tremendous efforts to combat the flow of counterfeit goods while promoting a fair and conducive environment for legitimate trade.

As Myanmar forges ahead with its commitment to safeguarding IPR and fostering innovation-driven growth, KENFOX stands ready to be your steadfast ally in securing and protecting your valuable trademarks. Our dedication to excellence, global perspective, and local expertise make us the partner of choice for clients seeking unmatched trademark services in Myanmar's thriving business landscape. Partner with KENFOX today, and let us help you seize every opportunity while ensuring your trademarks remain a pillar of strength in an ever-changing world of commerce.

By Nguyen Vu QUAN Partner & IP Attorney

Contact KENFOX IP & Law Office Building No. 6, Lane 12/93, Chinh Kinh Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi, Vietnam Tel: +84 24 3724 5656 Email: info@kenfoxlaw.com / kenfox@kenfoxlaw.com