

PROFILE



Partner

Intellectual Property
Personal Data Protection and Privacy Laws
Telecommunications, Media & Technology (TMT)
Shearn Delamore & Co., Kuala Lumpur, Malaysia

yapkhajian@shearndelamore.com

T +603 2027 2806

Qualifications

LL.B (Hons), University of Malaya
Advocate & Solicitor, High Court of Malaya

Languages

English, Chinese, Malay

KHAI JIAN YAP

ABOUT KHAI JIAN

Khai Jian's practice is largely contentious in nature and is involved in litigation matters covering a wide spectrum of IP including patent, trademark, copyright, design infringements, passing-off cases, geographical indication related cases, and breach of confidential information.

Khai Jian's non-contentious practice covers IP advisory, enforcement, trademark prosecution work including opposition procedures, personal data protection, advertising, domain names, licensing, franchising, gaming and regulatory approvals for food and drugs.

EXPERIENCE

MERCK SHARP and DOHME CORP. ("MSD") v HOVID BERHAD.

- [Federal Court Civil Application No. 08-470-10/2017] (Federal Court) [2019] 9 CLJ 1

- Subject Matter: Patent Infringement and Invalidation Action
- Acted as co-counsel for the Plaintiff since its inception in the High Court right through to the substantive appeal to the Federal Court. In this case, the High Court and Court of Appeal were bound by the Federal Court case of SKB Shutters Manufacturing Sdn Bhd v Seng Kong Shutters Industries Sdn Bhd & Anor [2015] 6 MLJ 293 (“SKB Shutters case”). We successfully led and argued during the Appeal to the Federal Court, to overturn the binding case on a question of law, where the majority of the Federal Court departed from its own previous decision. Quite apart from the fact that it is indeed very rare for the Federal Court to depart from its previous ruling, the impact of the case, has also proved to be far reaching. Mention must be made that this is only the 6th time in the nation’s history since 1967 where a counsel has been able to persuade the Federal Court to overrule its previous decision to set a new path to the law and this case also remains to be first IP case in the Federal court to be overturned. Other than the significance in terms of the rarity of the decision as alluded to above, the impact of the decision is also far reaching. The status of dependant claims which were long recognised as a fall back on narrower claims in the event, that the broader independent claims were found to be invalid has now been restored. Potentially, 100,000 patent grants/ applications would have been affected if not for the outcome of the MSD case. In fact, there was lobbying carried out by various quarters in the IP industry to have the Patents Act amended post the SKB Shutters case to deal with the difficulties created by the SKB shutters ruling which now may no longer be necessary. This decision now resolves the dilemma that patent drafters had previously faced on how claims were to be drafted and the level of consistency required between Malaysian patent claims and patent claims in other jurisdictions. This decision resulted in the Malaysian practice to be once again aligned with the position in most jurisdictions. This case, while setting the historic standard is also a reported landmark decision with great precedent value. It has also received extensive global and local attention where the decision has been the subject of commentary and publishing interest.

MALAYSIA AIRLINES BERHAD AND FLYFIREFLY SDN BHD v AIRASIA COM TRAVEL SDN BHD

- [Court of Appeal Civil Appeal No.: W-02(IPCv)(W)-377-03/2024] / [Kuala Lumpur High Court Civil Suit No.: WA-22IP-14-03/2022]
- Subject Matter: Trademark infringement and passing-off
- Acted as co-counsel for the Malaysia Airlines Berhad (the national carrier of Malaysia) and Flyfirefly Sdn Bhd in the High Court and subsequently, in the Court of Appeal. The Plaintiffs filed an action at the High Court for trademark infringement, passing off, relief under section 76 of the Trademarks Act 2019, unlawful interference with trade in respect of AirAsia Com Travel Sdn Bhd’s (“the Defendant”) unlawful use of the Malaysia Airlines and Firefly Trademarks and sale of the Plaintiffs’ airline tickets via the Defendant’s application known as the AirAsia Super App (“SuperApp”) in Malaysia. Subsequent to the filing of the suit and in light of the Defendant’s continued infringing activities which may cause irreparable damage to the Plaintiffs’ goodwill, the Plaintiffs filed an application for an injunction to restrain the

Defendant from using the Malaysia Airlines and Firefly Trademarks and selling or offering to sell the Plaintiffs' airline tickets via the SuperApp. The Plaintiffs successfully obtained the said injunction.

Subsequently, the case proceeded with the trial and the decision was rendered in favour of the Plaintiffs. The case tackled the novel and fundamental question of the extent of whether use of the trademarks of a registered proprietor without the consent of the registered proprietor was permissible in instances where trademarks were used to identify the goods and services of the registered proprietor. The scenario however was not analogous to that of parallel importation as in this case, the trademarks concerned were not applied by the registered proprietor or under its control. In doing so, the High Court had to consider the notion of whether a sign needs to be "used as a trademark" to constitute trademark infringement under section 54 of the new Trademarks Act 2019. The High Court in finding for the Plaintiffs ruled that use of the offending trademark or sign as a trademark is not a pre-requisite to infringement of a trademark. The High Court Judge further held that the word "use" under section 54 of the new Trademarks Act 2019 should be given its plain and ordinary meaning. This is the first case which interpreted "use" in the context of pre-requisites of a trademark infringement action under section 54 of the new Trademarks Act 2019. The High Court's ruling not only clarifies the interpretation of statutory provisions under the new Section 54 of the Trademarks Act 2019 (in view of the different interpretations of similar provisions in Singapore and the UK/European Union) but also sets a decision that will influence future trademark infringement disputes.

This is also the first case in Malaysia which interpreted the defences to a trademark infringement action under sections 55(1)(b)(i) [the defence of use of a trademark as a descriptor], 55(1)(c) [the defence of use of a trademark to indicate the intended purpose of goods] and 55(3) [the defence of implied consent] of the new Trademarks Act 2019. Further, this decision would also have an impact on a trademark proprietor's right to control the use of its trademarks as well as future licensing arrangements between the trademark proprietor and its licensees.

- This case was awarded the Editor's Choicer Award – Impact Deal and Case of the Year by asialaw Awards 2024.

LIWAYWAY MARKETING CORPORATION v OISHI GROUP PUBLIC COMPANY LIMITED

- [Federal Court Civil Appeal No 02(i)-57-09 of 2015] (Federal Court) [2017] 4 MLJ 141]
- Subject Matter: Expungement of trademark under section 46 of the Trademarks Act 1976
- Acted as co-counsel for the Appellant in this appeal at the Federal Court, pertaining to questions of law surrounding the concept of non-use of registered trademarks under The Trademarks Act 1976. The dispute surrounded competing rights to the trademark OISHI as well as the factors to

be considered in expunging a trademark from the register of trademarks on the grounds of non-use. In deciding in favour of the Appellant, the Federal Court considered and provided precedent value for the standard and burden of proof for survey evidence and this case remains the leading authority on survey evidence. Also, of precedent value is the position of the party who is first to assert rights to a trademark in Malaysia although not necessarily being the first party in the course of trade, to use the said trademark.

MERCK SHARP & DOHME CORP. v HOVID BERHAD

- [Kuala Lumpur High Court Civil Suit No: 22IP-72-12/2014] (High Court) [2022] MLJU 1
- Subject Matter: Patent Infringement and Invalidation Action
- Acted as co-counsel for the Plaintiff. This is the continuation from the historic landmark decision by the apex court of the country in 2019. We represent the Plaintiff, Merck Sharp & Dohme. Following the decision by the apex court in the same case, certain issues which were not decided as a result of the prior decision in *SKB Shutters* (now reversed) were remitted to the High Court for the determination. In essence, these issues concerned the validity of the dependent claims 2-22 of the 194 Patent. The crux issues that stood before the High Court were issues that needed to be considered in light of the apex court's decision; more particularly, the application of the newly minted principles of Types 1 and 2 patent claims by the apex court. This has resulted in res judicata issues being raised by the Defendant's counsel, particularly over common general knowledge that were already decided by the High Court previously in the first/earlier trial of *Merck Sharp and Dohme v. Hovid*, albeit under the previously binding decision of *SKB Shutters* (now reversed by the apex court). The High Court found for Merck both on the issue of validity of the dependent claims. By virtue of this finding, the Defendant was found liable for infringement of the Merck's 194 Patent. In the learned Judge's broad grounds of decision, the Judge clarified as follows: -
 - i. The extent and applicability of the doctrine of res judicata and issue estoppel in a trial which was ordered by the apex court to be remitted to the high court.
 - ii. The interpretation of different types of patent claims namely Types 1 and Type 2 Patent claims, which were formulated for the first time by the Federal Court and the extent of which the validity of such claims is dependent on the validity of their independent claims.

Whilst the Defendant filed an appeal to the Court of Appeal against the decision of the High Court, the appeal was subsequently withdrawn. Hence, the decision of the High Court remains final and conclusive. The decision of Merck case in the Federal Court would be remembered by many in the industry as the landmark decision, a welcome departure from the position left by the now repealed SKB Shutters case insofar as the validity of dependent claims is concerned. The written grounds by the High Court are not only of novel precedent value in Malaysia but also sets to clarify and sets the tone of the decision of the apex court through its application of the Type 1 and Type 2 claims for the first time since the latter's decision.

EL BAIK FOOD SYSTEMS CO. S.A. v THE REGISTRAR OF TRADEMARKS AND AL BAIK FAST FOOD DISTRIBUTION CO. SAE

- [Kuala Lumpur Originating Summons No. WA-24IP-4-01/2019] (High Court) [2019] MLJ 552
- Subject Matter: Trademark & Copyright Infringement
- Acted as co-counsel for the Saudi based food and beverage outfit El Baik Food Systems Co. S.A. (“the Plaintiff”) in an appeal at the High Court from the decision of the Registrar of Trademarks in a Trademark opposition matter. This case was the final saga of an extensive dispute between the Plaintiff and Albaik Fast Food Distribution Co SAE over competing rights to the ALBAIK trademark. The High Court, as a novel point accepted the concept of “spill-over and cross border goodwill” without the necessity of physical business presence in Malaysia. In finding for the Plaintiff, the High Court held that the lack of physical presence did not preclude the Plaintiff from claiming goodwill and reputation in Malaysia thereby granting the Plaintiff priority over the Defendant. This case is also of worthy precedent value and was duly reported.

EL BAIK FOOD SYSTEMS CO. S.A. V AL BAIK FAST FOOD DISTRIBUTION CO. S.A.E.

- [Kuala Lumpur High Court Originating Summons No.: WA-24IP-17-08/2019] (High Court)
- Subject Matter: Trademark – Non-use cancellation action
- Acted as co-counsel for the Saudi based food and beverage outfit El Baik Food Systems Co. S.A. (“the Plaintiff”). Successfully cancelled Al Baik Fast Food Distribution Co. S.A.E.’s trademark registration for a trademark which is identical and/or confusingly similar to the Plaintiff’s ALBAIK Trade Mark from the Register of Trade Marks.

DORPAN, SL & ANOR V. NUSAJAYA SUNRISE SDN BHD

- [Johor Bahru High Court Civil Suit No. JA-22IP-05-09-2017] (High Court) [2019] 8 CLJ 475
- Subject Matter: Trademark infringement and passing-off
- Acted as co-counsel for the Plaintiffs in this High Court case. Was successful in obtaining an injunction against the defendant, a well-known local developer, over its use of the word MELIA. The action was premised on the Plaintiffs’ entitlement of the right to use the word MELIA. The High Court decision is crucial in the following respects:
 - i. The High Court recognised the principle that common field of activity is not a pre-requisite in establishing the element of misrepresentation in a passing-off action. A party is able to lay claim against a third party in another field of activity provided it could show trends of diversification into the latter field. The High Court recognised the possibility of diversification and natural extension from one business to the other. Such trends no doubt are factual and evidence-heavy.
 - ii. House brands and sub brands are in law stand-alone trademarks with their own distinctiveness and are thus capable of performing their respective source identifications. Confusion is not necessarily eliminated just because the “MELIA RESIDENCES” mark is used together with the Defendant’s house marks.

Whilst the Defendant filed an appeal to the Court of Appeal against the decision of the High Court, the appeal was subsequently withdrawn. Hence, the decision of the High Court remains final and conclusive.

MESUMA SPORTS V OLYMPIC COUNCIL OF MALAYSIA

- [Kuala Lumpur High Court Civil Suit No. NCV 415-08/2015] (High Court, Court of Appeal)
- Subject Matter: Breach of sponsorship agreement
- Acted as co-counsel for the Plaintiff in this case that was originally heard in the High Court and was subsequently appealed to the Court of Appeal. This case considered the right of first refusal in a sponsorship agreement and the continued use of the Olympic logo.

APPOINTMENTS/MEMBERSHIPS

- Member, Malaysian Bar

PUBLICATIONS

- Co-author: *“Trade Mark Litigation in Malaysia: Overview”* – Practice Law, 2017 and 2022
- Assisted in the research and editing of *“Trademarks Act 2019 with Overview by Indran Shanmuganathan”* – Sweet & Maxwell (2020)
- Co-author: *“Trademark Litigation Handbook”* – Thomson Reuters (2013, 2017 and 2022)
- Co-Author: *“The Fate of “Digital Libraries” and Lending of E-Books by Libraries – A Study on the US District Court Case of Hachette Book Group v Internet Archive”* – The Law Review by Sweet & Maxwell Asia [2023] LR 572
- Co-Author: *“ChatGPT: The Pandora’s Box Opened?”* – Legal Era Publication (October 2023)
- Co-Author: *“ChatGPT: The Next Step in Evolution or an Intellectual Property Minefield?”* – The Law Review by Sweet & Maxwell Asia [2023] LR 133 (July 2023)
- Co-Author *“Dependent Claims Fully Restored (Merck Part 2)”* – Legal Era Publication (November 2021)
- Co-author: *“Viability of Celebrity Endorsement Restored”* – INTA Publication (August 2021)
- Interview: *“Selling of Unauthorized Streaming Gadgets Declared Illegal by Malaysia’s Intellectual Property High Court”* – AsialP (July 2021)
- Co-author: *“The Rise and Fall of SKB Shuttlers Case: A Brief Look at the Recent Federal Court Case of Merck Sharp & Dohme Corp v Hovid Berhad”* – Legal Era Publication (November 2019)
- Co-author: *“Merck Finally Shuts the Door of SKB Shuttlers”* – Managing IP-IP Stars (October 2019)
- Co-Author: *“Malaysia – Dorpan, S.L. and Melia Hotels International, S.A. v Nusajaya Rise Sdn Bhd [Johor Bahru Civil Suit No.: JA-22IP-05-09/2017]”* – Conventus Law (March 2019)