

LICENCES

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1 INTRODUCTION

The proprietor of a trade mark can give permission to someone else to use his trade mark. This is done by granting that person a licence over the trade mark.

Although the grant of a licence is not invalidated due to failure to record the licence with the Registrar, it is advisable for licensees to record their interest to ensure that third parties are aware of the existence of the licence. Once the licence is entered in the register, every person is deemed to have notice of it (section 42(6)). It is also advantageous to record the licence as it serves as prima facie evidence of the transaction (section 101(b)).

2 RELEVANT LEGISLATION

Trade Marks Act [Cap. 322, 2005 Ed.]

Co-ownership of registered trade mark

- 37.** —(4) One co-proprietor may not, without the consent of the other or others —
- (a) grant a licence to use the registered trade mark; or
 - (b) assign or charge his share in the registered trade mark.

Registration of transactions affecting registered trade mark

- 39.** —(1) On application being made to the Registrar by —
- (a) a person claiming to be entitled to an interest in or under a registered trade mark by virtue of a registrable transaction; or
 - (b) any other person claiming to be affected by such a transaction,
- the prescribed particulars of the transaction shall be entered in the register.

- (2) The following are registrable transactions under subsection (1):

- (b) the grant of a licence under a registered trade mark;

- (5) For the avoidance of doubt, subsections (3) and (4) shall not apply to any registrable transaction relating to —

- (a) a licence under a registered trade mark; or
- (b) any right in or under the licence.

Licensing of registered trade mark

- 42.** —(1) A licence to use a registered trade mark may be general or limited.

- (2) A limited licence may, in particular, apply in relation to some but not all of the goods or services for which the trade mark is registered.

- (3) A licence is not effective unless it is in writing signed by or on behalf of the grantor.

- (4) Subsection (3) may be satisfied in a case where the grantor is a body corporate by the affixing of its seal.

- (5) Subject to subsection (7), a licence to use a registered trade mark is binding on every successor in title to the grantor's interest —

- (a) except any person who, in good faith and without any notice (actual or constructive) of the licence, has given valuable consideration for the interest in the registered trade mark; or

- (b) unless the licence provides otherwise,
- and any reference in this Act to doing anything with, or without, the consent of the proprietor of a registered trade mark shall be construed accordingly.

- (6) Every person shall be deemed to have notice of a licence if the prescribed particulars of the grant of the licence are entered in the register under section 39(1).

(8) Where the licence so provides, a sub-licence may be granted by the licensee; and references in this Act to a licence or licensee include references to a sub-licence or sub-licensee.

General provisions as to rights of licensees in case of infringement

44. —(3) A licensee is entitled, unless his licence, or any licence through which his interest is derived, provides otherwise, to call on the proprietor of the registered trade mark to take infringement proceedings in respect of any matter which affects his interests.

(4) If the proprietor —

(a) refuses to do so; or

(b) fails to do so within 2 months after being called upon,

the licensee may bring the proceedings in his own name as if he were the proprietor.

(5) Where infringement proceedings are brought by a licensee by virtue of this section, the licensee may not, without the leave of the Court, proceed with the action unless the proprietor is either joined as a plaintiff or added as a defendant.

Exclusive licensee having rights and remedies of assignee

45. —(1) An exclusive licence may provide that the licensee shall have, to such extent as may be provided by the licence, the same rights and remedies in respect of matters occurring after the grant of the licence as if the licence had been an assignment.

(2) Where or to the extent that the provision referred to in subsection (1) is made, the licensee is entitled, subject to the provisions of the licence and to the provisions of this section, to bring infringement proceedings, against any person other than the proprietor, in his own name.

Trade Marks Rules

Application to change name or address in register

44. —(1) An application by —

(a) the proprietor of a registered trade mark;

(b) a licensee of a registered trade mark; or

(c) any person having an interest in or charge on a registered trade mark registered under rule 55,

to change his name or address appearing in the register shall be filed with the Registrar on Form TM 26.

(2) *Deleted by S 370/2004, wef 01/07/2004.*

(3) *Deleted by S 370/2004, wef 01/07/2004.*

(4) The Registrar may at any time, on a request filed on Form TM 1 by any person who has filed an address for service under rule 9 or 10, change that address in the register.

Entry in register of particulars of registrable transactions

54. —(1) The prescribed particulars of a transaction to which section 39 of the Act applies to be entered in the register are —

(b) in the case of the grant of a licence under a registered trade mark —

- (i) the name and address of the licensee;
- (ii) where the licence is an exclusive licence, that fact;
- (iii) where the licence is limited, a description of the limitation; and
- (iv) the duration of the licence if the same is, or is ascertainable as, a definite period;

(2) In each of the cases mentioned in paragraph (1), there shall be entered in the register the date on which the entry is made.

Application to register or give notice of transaction

55. —(2) Where an application under paragraph (1) is filed other than by means of the electronic online system, the application shall be —

(d) signed by or on behalf of the grantor of the licence or security interest, in any other case.

(3A) Where an application under paragraph (1) is not signed in accordance with paragraph (2)(a), (b) or (d) or authorised and validated in accordance with paragraph (3), the application shall be accompanied by —

(b) in the case of a grant of a licence (under a registered trade mark or an application for registration of a trade mark) referred to in paragraph (1)(b), at the option of the applicant, by —

- (i) a certified extract of the licence contract, being an extract which shows the parties to the contract and the rights which are licensed under the contract;
- (ii) a statement of the licence containing such information as the Registrar may require, being a statement signed by both the person granting the licence and the licensee; or
- (iii) a certified copy of any documentary evidence which in the Registrar's view is sufficient to establish the grant of the licence;

(c) in the case of an amendment to, or a termination of, a licence (under a registered trade mark or an application for registration of a trade mark) referred to in paragraph (1)(c) or (d), at the option of the applicant, by —

- (i) a statement of the amendment or termination of the licence, as the case may be, containing such information as the Registrar may require, being a statement signed by both the person granting the licence and the licensee; or
- (ii) a certified copy of any documentary evidence which in the Registrar's view is sufficient to establish the amendment or termination of the licence, as the case may be;

or

(d) in any other case, by a certified copy of any documentary evidence which in the Registrar's view is sufficient to establish the transaction.

Reinstatement of application, right or thing

77B. —(1) Any person whose —

(a) application is treated as withdrawn; or

(b) right has been abrogated, or thing has ceased to be in force or to exist, by reason that he has failed to comply with any procedural requirement in any proceedings or other matter before the Registrar within the time limit under the Act or specified by the Registrar for complying with that requirement, may request for the reinstatement of the application, right or thing, as the case may be, in accordance with paragraphs (2), (3) and (4).

(2) A request for the reinstatement of any application, right or thing referred to in paragraph (1) —

(a) shall be made on Form TM 40 and filed with the Registrar within 6 months from the date the application was treated as withdrawn, the right was abrogated or the thing ceased to be in force or to exist, as the case may be;

(b) shall not be made unless, and shall state that —

(i) the omission which led to the application being treated as withdrawn was unintentional; or

(ii) the failure to comply with a time limit which led to —

(A) the right being abrogated; or

(B) the thing ceasing to be in force or to exist, was unintentional; and

(c) where the omission, or the failure to comply with a time limit, relates to the filing of any document or thing, shall be accompanied by that document or thing not filed or not filed on time, as the case may be.

(5) Paragraphs (1) to (4) do not allow the reinstatement of —

(a) any claim to a right of priority under section 10 of the Act or rule 18 (1); or

(b) any application which is treated as withdrawn, any right which has been abrogated or any thing which has ceased to be in force or to exist by reason of —

(i) any acquiescence by a proprietor of an earlier trade mark or other earlier right under section 24 of the Act, or under section 24 of the Act read with rule 19 of the Trade Marks (International Registration) Rules (R 3);

(ii) a failure to comply with the time limit for —

(A) any act under section 13 of the Act or Division 6 of Part II of these Rules, or under rule 13 or 14 of the Trade Marks (International Registration) Rules or rules 32 to 40 of these Rules read with rule 15 of the Trade Marks (International Registration) Rules, in any opposition proceedings;

(B) any act under section 22 of the Act or Part VII of these Rules, or under section 22 of the Act and rules 57 to 60 of these Rules read with rule 18 of the Trade Marks (International Registration) Rules, in any proceedings for the revocation of the registration of a trade mark;

(C) any act under section 23 of the Act or Part VII of these Rules, or under section 23 of the Act and rules 57 to 60 of these Rules read with rule 18 of the Trade Marks (International Registration) Rules, in any proceedings for a declaration of invalidity of the registration of a trade mark;

(D) any act under section 67 of the Act or Part VII of these Rules in any proceedings for the rectification of an error or omission in the register, being proceedings commenced by

any person other than the proprietor of a registered trade mark in respect of any information in the register relating to that trade mark;
 (E) the filing of a request under paragraph (2); or
 (F) the filing of Form TM 7 under rule 24(6)(a); or
 (iii) a failure to pay the fee for the renewal of registration of a trade mark under rule 49(3) or 53.

Trade Marks (International Registration) Rules

Notification of transactions

8. —(1) The following are notifiable transactions for the purpose of this rule:

(a) the grant of a licence under a protected international trade mark (Singapore);
 (b) the granting of any security interest (whether fixed or floating) over a protected international trade mark (Singapore) and any right in or under it.

(2) On application being made to the Registrar by —

(a) a person claiming to be entitled to an interest in or under a protected international trade mark (Singapore) by virtue of a notifiable transaction; or
 (b) any other person claiming to be affected by such a transaction,
 the relevant particulars of the transaction shall be entered in the register.

(3) The following are relevant transactions for the purpose of this rule:

(a) *Deleted by S 372/2004, wef 01/07/2004.*
 (b) an assignment of a protected international trade mark (Singapore) or any right in it;
 (c) the making by personal representatives of an assent in relation to a protected international trade mark (Singapore) or any right in or under it;
 (d) an order of the Court or other competent authority transferring a protected international trade mark (Singapore) or any right in or under it.

(4) Until —

(a) in the case of any notifiable transaction referred to in paragraph (1) (b), an application has been made for the registration of the relevant particulars of the transaction; or
 (b) in the case of any relevant transaction, the transaction has been recorded in the International Register,
 the transaction is ineffective as against a person acquiring an interest in or under the protected international trade mark (Singapore) in ignorance of it.

(5) A person who becomes the proprietor of a protected international trade mark (Singapore) by virtue of any notifiable transaction referred to in paragraph (1)(b) or relevant transaction is not entitled to damages, an account of profits or statutory damages under section 31(5)(c) of the Act in respect of any infringement of the protected international trade mark (Singapore) occurring after the date of the transaction and before the transaction is recorded in the International Register.

(5A) For the avoidance of doubt, paragraph (4) shall not apply to any relevant transaction relating to —

(a) a licence under a protected international trade mark (Singapore); or

(b) any right in or under the licence.

(6) In this rule, “relevant particulars” means —

(a) in the case of the grant of a licence under a protected international trade mark (Singapore) —

(i) the name and address of the licensee;

(ii) where the licence is an exclusive licence, that fact;

(iii) where the licence is limited, a description of the limitation; and

(iv) the duration of the licence if the same is, or is ascertainable as, a definite period;

(b) in the case of the grant of any security interest over a protected international trade mark (Singapore) or any right in or under it —

(i) the name and address of the grantee;

(ii) the nature of the interest (whether fixed or floating); and

(iii) the extent of the security and the right in or under the trade mark secured.

Licensing

9. —(1) The provisions of sections 42 to 45 of the Act shall, with the necessary modifications, apply in relation to licences to use a protected international trade mark (Singapore) as they apply in relation to licences to use a registered trade mark.

(2) The reference in section 42(2) of the Act to goods or services for which a trade mark is registered shall be treated as a reference to goods or services in respect of which a trade mark is protected in Singapore.

3 TYPES OF LICENCES

A licence to use a registered trade mark may be exclusive or non-exclusive. It may also be general or limited.

(a) Exclusive or non-exclusive

An exclusive licence authorises the licensee to use the mark in the manner authorised by the licence, to the exclusion of all other persons, including the licensor himself (section 43(1)). Hence, the grantor of an exclusive licence cannot grant a licence to any other person, except in respect of goods and services not covered by that exclusive licence.

In granting a non-exclusive licence to one party, the grantor is still permitted to grant other non-exclusive licenses to others to use the same mark.

(b) General or limited

A general licence means a licence to use the mark in relation to all the goods or services for which the mark is registered.

A limited licence means the rights of the licensee are limited, for example, to some but not all of the goods or services for which the mark is registered.

(c) Sub-licence

A licensee may grant a sub-licence, if the licence so provides (section 42(8)). A sub-licensee may further grant a licence, if the licence or sub-licence so provides. Further hierarchies can be envisaged. References in the Trade Marks Act to a licence or a licensee include a sub-licence or a sub-licensee.

When lodging a sub-licence application, please ensure that there is also a licence application lodged or licence recorded. When filling up Form TM 37 for a sub-licence application, please note that box 2 being “Particulars of registered proprietor/licensee” should contain the “Particulars of licensee” and not the “Particulars of registered proprietor”.

(d) Limited period licence

A licence can be for an unlimited period or it can be for a limited period and end on a specified date.

There is no need to cancel a licence if it is valid for a fixed period. It automatically expires. The licence system will automatically update the licence to an “Expired” status on the day after the licence expiry date.

4 APPLICATION TO RECORD A LICENCE

(a) Form of application

An application to register a licensee is to be made on Form TM 37. The following information is required:

(i) Particulars of the grantor

The grantor could be the registered proprietor or, in the case of a sub-licence, the licensee.

(ii) Particulars of the licensee

In the case of a sub-licence, the licensee is the sub-licensee.

(iii) The duration of the licence (where applicable)

If the licence is a limited period licence, the commencement and ending dates have to be indicated.

The licence commencement date (i.e. the date entered in Part 5 of Form TM 37) should not predate the date from which the proprietor's rights in the mark accrue. For a trade mark application filed before 1/7/2004, the earliest licence commencement date is the trade mark application date or the priority date, if any. For a trade mark application filed on or after 1/7/2004, the earliest licence commencement date is the trade mark application date.

Where there are 2 or more exclusive licences, the licence periods involving the same goods or services must not overlap.

(iv) Indication whether the licence is limited to certain goods/services

If the licence does not apply to all the goods or services for which the mark is registered, a statement of the goods or services which the licence is to be recorded against has to be provided. It is to be noted that the list of licensed goods or services should not be wider than those under the trade mark registration.

(v) Address for service of the grantor

The address for service entered in Forms TM 37, TM 38 and TM 39 are for the purpose of corresponding on the application to record, amend or remove the licence only. This address for service stands alone and does not update the address for service for other processes of the mark. There is no need to additionally lodge Form TM 1 together with Forms TM 37, TM 38 and TM 39.

Form TM 1 is required only if there is a change of agent or address for service whilst Forms TM 37, TM 38 or TM 39 are being processed.

(vi) Address for service of the licensee

(vii) Signature by or on behalf of the grantor

If the application is signed by or on behalf of the grantor, it need not be accompanied by documentary evidence establishing the transaction. This is not to say that there is no need for a licence agreement between the parties. A licence has to be in writing signed by or on behalf of the proprietor to be effective. Form TM 37 is not a substitute for a licence agreement.

In the event that Form TM 37 is not signed by or on behalf of the grantor of the licence, the applicant shall lodge one of the following, in addition to Form TM 37:-

- a certified extract of the licence contract, being an extract which shows the parties to the contract and the rights which are licensed by the contract;
- a statement of the licence containing such information as the Registrar may require, being a statement signed by both the person granting the licence and the licensee; or
- a certified copy of the documentary evidence which in the Registrar's view is sufficient to establish the grant of the licence. (Rule 55(3A)(b)).

(b) Co-Owners

One co-owner cannot grant a licence to use the mark without the consent of the other co-owner or co-owners (section 37(4)).

However, an agent or a co-owner authorised to act for all co-owners can sign Form TM 37 on their behalf.

(c) Licence of trade mark applications for registration

An application to register a licence (Form TM 37) filed on or after 2/7/2007, will be processed by the Registry even though the status of the mark is still pending registration. However, where the application to register a licence (Form TM 37) was filed before 2/7/2007, it will be processed only after the mark has been registered.

(d) Particulars of the licence entered in the Register

When the licence is recorded, the following details are entered in the Register:

- (i) the name and address of the licensee;
- (ii) the fact that the licence is an exclusive licence, if it is;
- (iii) where the licence is limited, a description of the limitation;

- (iv) the duration of the licence if it is for a definite period; and
- (v) the date on which the entry in the register is made.

A notification with these details is sent to the licensor, with copy to the licensee.

(e) Assignment of licence

If there is an assignment of a licence, the original licence should be cancelled by lodging Form TM 39 followed by an application to record the new licence by lodging Form TM 37.

(f) Withdrawal of licence application

The application to record a licence may be withdrawn before the recordal has been processed by writing in to the Registrar. The fee accompanying Form TM 37, once paid, is generally not refundable. If the licence application has been processed and licence duly recorded, it cannot be withdrawn. The licence must be cancelled by lodging Form TM 39.

(g) Trade mark subject of application for revocation, invalidation or rectification

The Registrar may proceed to process a licence application even if there has been an application filed on Form TM 28 for the revocation, declaration of invalidity, or rectification of the same registered trade mark.

5 INTERNATIONAL REGISTRATIONS

Licences recorded in the international register in respect of International Registrations designating Singapore have no effect.

Pursuant to Rule *20bis(6)(b)* of the Common Regulations under the Madrid Protocol, Singapore has notified the World Intellectual Property Organisation that it would not give effect to the recording of trade mark licences in the International Register. Accordingly, any recording of a licence made under Rule *20bis(3)* of the Common Regulations will have no effect on any International Registration designating Singapore. The holder of such an International Registration may record the relevant licence with the Registry by lodging Form TM 37, if he so wishes.

6 AMENDMENT OR REMOVAL OF REGISTERED PARTICULARS OF LICENCE

To **remove** a licence, Form TM 39, signed by the grantor of the licence or his representative has to be lodged.

Upon recordal of the removal of the licence, a notification will be sent to the licensor informing him of the removal, with copy of this notification to the licensee.

To **amend** the terms of a licence, Form TM 38, signed by the grantor of the licence or his representative, has to be lodged.

Upon recordal of the amendment, a notification with the details of the licence including what has been amended will be sent to the licensor, with copy to the licensee.

It is to be noted that applications to change a licensee's name or address due to errors or changes in such particulars, is to be done on Form TM 26.

7 EXTENSION OF TIME

In the course of processing any application relating to a licence, the Registrar may require additional information or evidence or raise any objection pertaining to the request. If so, the Registry will inform the applicant in writing, giving him a time frame of 2 months to respond. If he is unable to reply within this time, the applicant may apply for an extension of time by filing Form TM 49 before the expiry of the deadline. Three or more extensions may be requested for, each with a duration of 3 months at a time. However, cogent reasons need to be given for the request if applying for the 3rd or subsequent extension before the extension is granted.

8 REINSTATEMENT OF APPLICATION

If the applicant fails to reply to the Registry's request for clarification or to apply for an extension of time to respond to the Registry, within the deadline, the licence application will be treated as withdrawn. At the same time, a letter will be sent out to the applicant informing him of this fact. If the failure to respond was unintentional, the applicant may apply for reinstatement of the licence application by lodging Form TM 40 within 6 months from the expiry of the deadline. The outstanding response to the Registry is to be submitted together with Form TM 40.