

LAWS OF BRUNEI
REVISED EDITION 1984

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ARRANGEMENT OF SECTIONS

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MERCHANDISE MARKS ACT

An Act relating to fraudulent marks on merchandise

19 of 1953
7 of 1956
G.N.E. 29/56
S.99/59

Commencement: 7th October 1953

PART I

Preliminary

1. This Act may be cited as the Merchandise Marks Act. Short title
2. In this Act — Interpretation

“trade mark” means a trade mark which is protected by law in Brunei;

“trade description” means any description, statement or other indications, direct or indirect,

(a) as to the number, quantity, measure, gauge or weight of any goods;

(b) as to the place or country in which any goods were made or produced;

(c) as to the mode of manufacturing or producing any goods;

(d) as to the material of which any goods are composed;

(e) as to any goods being the subject of an existing patent, privilege or copyright;

(f) as to the degree of fineness of gold and silver goods:

and the use of any figure, word or mark which, according to the custom of the trade, is commonly taken to be an indication of any of the above mat-

ters, shall be deemed to be a trade description within the meaning of this Act;

“false trade description” means a trade description which is false in a material respect as regards the goods to which it is applied, and includes every alteration of a trade description, whether by way of addition, effacement or otherwise, where that alteration makes the description false in a material respect, and the fact that a trade description is a trade mark or part of a trade mark shall not prevent such trade description being a false trade description within the meaning of this Act; a trade description which denotes or implies that there are contained in any goods to which it is applied more yards, feet or inches than there are contained therein standard yards, standard feet or standard inches, or more hundredweights, pounds or ounces than there are standard hundredweights, standard pounds or standard ounces or their equivalent metric measurements, is a false trade description;

“goods” means anything which is the subject of trade, manufacture or merchandise;

“person”, “manufacturer, dealer or trader” and “proprietor” include any body of persons corporate or unincorporate;

“name” includes any abbreviation of a name.

PART II

Trade, Property and Other Marks

Trade mark

3. A mark used for denoting that goods are the manufacture or merchandise of a particular person is called a trade mark.

4. A mark used for denoting that movable property belongs to a particular person is called a property mark.

Property
mark

5. Any person who marks any goods or any case, package or other receptacle containing goods, or uses any case, package or other receptacle with any mark thereon, in a manner reasonably calculated to cause it to be believed that the goods so marked, or any goods contained in any such receptacle so marked, are the manufacture or merchandise of a person whose manufacture or merchandise they are not, is said to use a false trade mark.

Using a false
trade mark

6. Any person who marks any movable property or goods or any case, package or other receptacle containing movable property or goods, or uses any case, package or other receptacle having any mark thereon, in a manner reasonably calculated to cause it to be believed that the property or goods so marked, or any property or goods contained in any such receptacle so marked belong to a person to whom they do not belong, is said to use a false property mark.

Using a false
property
mark

7. Any person who uses any false trade mark or any false property mark shall, unless he proves that he acted without intent to defraud, be guilty of an offence: Penalty, imprisonment for one year and fine.

Punishment
for using a
false trade
mark or
property
mark

8. Any person who counterfeits any trade mark or property mark used by any other person shall be guilty of an offence: Penalty, imprisonment for 2 years and fine.

Counterfeit-
ing a trade
mark or
property
mark used by
another

9. Any person who —

Counterfeit-
ing a mark
used by a
public ser-
vant

(a) counterfeits any property mark used by a public servant, or any mark used by a public servant to denote that —

(i) any property has been manufactured by a particular person or at a particular time or place;

- (ii) the property is of a particular quality or has passed through a particular office;
- (iii) it is entitled to any exemption; or

(b) uses as genuine any such mark knowing the same to be counterfeit:

shall be guilty of an offence: Penalty, imprisonment for 3 years and fine.

What constitutes counterfeiting a trade mark or property mark. Onus of proof

10. (1) A person shall be deemed to counterfeit a trade mark or property mark who either —

(a) without the assent of the proprietor of the trade mark or property mark makes the trade mark or property mark or a mark so nearly resembling that trade mark or property mark as to be calculated to deceive; or

(b) falsifies any genuine trade mark or property mark whether by alteration, addition, effacement or otherwise;

and any trade mark or property mark so made or falsified is in this Act referred to as a counterfeit trade mark or property mark.

(2) In any prosecution for counterfeiting a trade mark or property mark the burden of proving the assent of the proprietor shall lie on the defendant.

Making or possession of any instrument for counterfeiting a trade mark or property mark

11. Any person who makes or has in his possession any die, plate or other instrument for the purpose of counterfeiting a trade mark or property mark, or has in his possession a trade mark or property mark for the purpose of denoting that any goods are the manufacture or merchandise of a person whose manufacture or merchandise they are not, or that they belong to a person to whom they do not belong,

shall be guilty of an offence: Penalty, imprisonment for 3 years and fine.

12. Any person who imports, sells, or exposes or has in possession for sale or any purpose of trade or manufacture, any goods or things with a counterfeit trade mark or property mark affixed to or impressed upon the same or to or upon any case, package or other receptacle in which such goods are contained, shall, unless he proves that —

Importing or selling, etc., goods marked with a counterfeit trade mark or property mark

(a) having taken all reasonable precautions against committing an offence under this section, he had, at the time of the commission of the alleged offence, no reason to suspect the genuineness of the mark; and

(b) on demand made by or on behalf of the prosecution, he gave all the information in his power with respect of the persons from whom he obtained such goods or things; or

(c) otherwise he had acted innocently;

be guilty of an offence: Penalty, imprisonment for one year.

13. Any person who makes any false mark upon any case, package or other receptacle containing goods, in a manner reasonably calculated to cause any person to believe that such receptacle contains goods which it does not contain or that it does not contain goods which it does contain or that the goods contained in such receptacle are of a nature or quality different from the real nature or quality thereof shall, unless he proves that he acted without intent to defraud, be guilty of an offence: Penalty, imprisonment for 3 years and fine.

Making a false mark upon any receptacle containing goods

14. Any person who makes use of any such false mark in any manner prohibited by section 13 shall, unless he proves that he acted without intent to defraud, be guilty of an

Punishment for making use of any such false mark

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offence and punished as if he had committed an offence under that section.

Tampering with property mark with intent to cause injury

15. Any person who removes, destroys, defaces or adds to any property mark, intending or knowing it to be likely that he may thereby cause injury to any person, shall be guilty of an offence: Penalty, imprisonment for 3 years and fine.

Brunei State Crest, Flag or other emblems

16. Any person who causes or suffers to appear on any trade mark used by him for the purposes of his trade or business any representation of the Brunei State Crest, Flag or other emblems of Brunei, or of any devices so nearly resembling them as to lead to mistake, shall unless such trade mark is authorised to be used by Order of His Majesty be guilty of an offence under this Act.

Importing or selling, etc., goods bearing a prohibited trade mark

17. Any person who imports, sells or exposes or has in his possession for sale or any purpose of trade or manufacture any goods or things to which a trade mark bearing any representation prohibited by section 16 is applied, shall be guilty of an offence under this Act.

PART III

Trade Descriptions

Provisions supplemental to the definition of false trade description

18. (1) The provisions of this Act respecting the application of a false trade description to goods or respecting goods to which a false trade description is applied shall extend to the application of goods of any such figures, words, or marks, or arrangement or combination thereof, whether including a trade mark or not, as are reasonably calculated to lead persons to believe that the goods are the manufacture or merchandise of some person other than the person whose manufacture or merchandise they really are, and the said provisions shall also extend to the goods to which such figures, words, or marks, or arrangement or combination thereof are applied.

(2) The provisions of this Act respecting the application of a false trade description to goods or respecting goods to which a false trade description is applied, shall extend to the application to goods of any false name or initials of a person, and to goods with the false name or initials of a person applied, in like manner as if such name or initials were a trade description, and for the purpose of this Act the expression "false name or initials" means, as applied to any goods, any name or initials of a person which —

(a) are not a trade mark or part of a trade mark;

(b) are identical with or a colourable imitation of the name or initials of a person carrying on business in connection with goods of the same description and not having authorised the use of such name or initials; or

(c) are either those of a fictitious person or of some person not *bona fide* carrying on business in connection with such goods.

19. (1) A person shall be deemed to apply a trade description to goods who —

Application
of trade de-
scriptions

(a) applies it to the goods themselves; or

(b) applies it to any covering, label, reel or other thing in or with which the goods are sold or exposed or had in possession for any purpose of sale, trade or manufacture; or

(c) places, encloses or annexes any goods which are sold or exposed or had in possession for any purpose of sale, trade or manufacture in, with, or to any covering label, reel or other thing to which a trade description has been applied; or

(d) uses a trade description in any manner calculated to lead to the belief that the goods in connection with which it is used are designated or described by that trade description.

(2) The expression “covering” includes any stopper, cask, bottle, vessel, box, cover, capsule, case frame or wrapper; and the expression “label” includes any band or ticket.

(3) A trade description shall be deemed to be applied whether it is woven, impressed or otherwise worked into or annexed or affixed to the goods or to any covering, label, reel or other thing.

(4) Goods, delivered in pursuance of a request made by reference to a trade mark or trade description appearing in any sign, advertisement, invoice, wine list, business letter, business paper or other commercial communication, shall, for the purposes of paragraph (d) of subsection (1) be deemed to be goods in connexion with which the trade mark or trade description is used.

Application of false trade description is an offence

20. Any person who applies any false trade description to goods or causes any false description to be applied to goods shall, subject to this Act and unless he proves that he acted without intent to defraud, be guilty of an offence: Penalty on first conviction, imprisonment for 3 months or a fine of \$1,000, and for a second or subsequent conviction imprisonment for one year and fine.

Importation, sale, etc., of goods to which a false description is applied is an offence

21. Any person who imports, except for transshipment or in course of transit to any place outside Brunei without breaking bulk, sells or exposes for, or has in his possession for, sale or any purpose of trade or manufacture any goods or thing to which a false trade description is applied, shall, unless he proves that —

(a) having taken all reasonable precaution against committing an offence under this Act, he had, at the time of the commission of the alleged offence, no reason to suspect the genuineness of the trade description; and

(b) on demand made by or on behalf of the prosecution, he gave all the information in his power with respect to the persons from whom he obtained such goods or things; or

(c) otherwise he had acted innocently;

be guilty of an offence: Penalty on first conviction, imprisonment for 3 months or a fine of \$1,000, and for a second or subsequent conviction imprisonment for one year and fine.

22. Any person who imports, except for transshipment or in course of transit to any place outside Brunei without breaking bulk, sells or exposes for, or has in his possession for, sale or any purpose of trade or manufacture any piece-goods such as are ordinarily sold in Brunei by length or by the piece which have not conspicuously stamped or marked in numerals on each piece the length thereof in standard yards or in standard yards and a fraction of such a yard or their equivalent metric measurements according to the real length of the piece, shall be guilty of an offence, unless he proves —

Stamping of
length of
piece-goods

(a) that having taken all reasonable precaution against committing an offence under this Act, he had, at the time of the commission of the alleged offence, no reason to suspect that the real length was not stamped or marked as required by this section; and

(b) that on demand made by or on behalf of the prosecutor, he gave all information in his power

with respect to all persons from whom he obtained such piece-goods.

Penalty on a first conviction, imprisonment for 3 months or a fine of \$1,000, and for a second or subsequent conviction imprisonment for one year or a fine of \$3,000.

Application
of Act to
watches

23. (1) Where a watch case has thereon any words or marks which constitute, or are by common repute considered as constituting, a description of the country in which the watch was made, and the watch bears no description of the country where it was made, those words or marks shall *prima facie* be deemed to be a description of that country within the meaning of this Act, and the provisions of this Act with respect to goods to which a false trade description has been applied, and with respect to importing, selling or exposing for or having in possession for sale or any purpose of trade or manufacture goods with a false trade description, shall apply accordingly.

(2) For the purposes of this section the expression "watch" means all that portion of a watch which is not the watch case.

PART IV

Unintentional Contravention

Unintentional
contravention

24. Where a person is accused under section 7 of using a false trade mark or property mark by reason of his having applied a mark to any goods, property or receptacle in the manner mentioned in section 5 or 6, as the case may be, or under section 20 of applying to, or causing to be applied to, goods any false trade description, or under section 11 of making any die, plate or other instrument for the purpose of counterfeiting a trade mark, or property mark, and proves that —

(a) in the ordinary course of his business he is employed, on behalf of other persons, to apply trade marks or property marks, or trade descrip-

tions, or as the case may be, to make dies, plates or instruments for making or being used in making trade marks or property marks, and that in the case which is the subject of the charge he was so employed by some person resident in Brunei and was not interested in the goods or other thing by way of profit or commission dependent on the sale thereof;

(b) he took reasonable precaution against committing the offence;

(c) he had, at the time of the commission of the alleged offence, no reason to suspect the genuineness of the mark or description; and

(d) he gave to the prosecutor all the information in his power with respect to the persons on whose behalf the mark or description was applied;

he shall be discharged from the prosecution, but shall be liable to pay the costs incurred by the prosecutor, unless he has given due notice to him that he will rely on the above defence.

PART V

Forfeiture of Goods

25. (1) When a person is convicted under section 7 of using a false trade mark, or under section 12 of importing, selling, or exposing or having in possession for sale or any purpose of trade or manufacture, any goods or things with a counterfeit trade mark applied thereto, or under section 13 or section 14 of making, or making use of, a false mark, or under section 20 or 21 of applying a false trade description

Forfeiture of goods

to goods or of importing, selling or exposing or having in possession for sale or any purpose of trade or manufacture, any goods or things to which a false trade description is applied, or is acquitted on proof of the matter or matters specified in section 12, 21 or 24, the Court convicting or acquitting him may direct the forfeiture to the Government of all goods and things by means of, or in relation to, which the offence has been committed or, but for such proof as aforesaid, would have been committed.

(2) When a forfeiture is directed on a conviction and an appeal lies against the conviction, an appeal shall lie against the forfeiture also.

(3) When a forfeiture is directed on an acquittal and the goods or things to which the direction relates are of value exceeding \$5,000, an appeal against the forfeiture may be preferred, within 7 days from the date of the direction, to the High Court.

PART VI

Procedure

Description of trade mark in pleadings, etc.

26. In any charge, pleading, proceeding or document in which any trade mark, property mark, counterfeit trade mark or property mark is intended to be mentioned, it shall be sufficient, without further description and without any copy or facsimile, to state that trade mark, property mark, counterfeit trade mark or property mark to be trade mark or property mark or counterfeit trade mark or property mark.

Rules as to evidence

27. In the case of imported goods evidence of the port of shipment shall be *prima facie* evidence in any prosecution under this Act of the place or country in which the goods were made or produced.

28. On any prosecution under this Act the Court may order costs to be paid to the defendant by the prosecutor or to the prosecutor by the defendant, having regard to the information given by and the conduct of the defendant and prosecutor respectively. Costs

29. No prosecution under this Act shall be commenced after the expiration of 3 years next after the commission of the offence, or of one year next after the first discovery thereof by the prosecutor, whichever expiration first happens. Limitation

30. (1) Where upon information of an offence under this Act, a Court has issued either a summons requiring the defendant charged by such information to appear to answer to the same or a warrant for the arrest of such defendant, and either the said Court on or after issuing the summons or warrant, or any other Court, is satisfied by information on oath, that there is reasonable cause to suspect that any goods or things by means of or in relation to which such offence has been committed are in any house or premises of the defendant, or otherwise in his possession or under his control in any place, such Court may issue a warrant under its hand by virtue of which any police officer named or referred to in the warrant may enter such house, premises, or place at any reasonable time by day, and search therefor and seize and take away those goods or things. Search warrant

(2) Any goods or things seized under such warrant shall be brought before the Court of a Magistrate for the purpose of its being determined whether the same are or are not liable to forfeiture under this Act.

(3) If the owner of any goods or things, which would be liable to forfeiture under this Act, is unknown or cannot be found, an information or complaint may be laid for the purpose only of enforcing such forfeiture, and a Court of a Magistrate may cause notice to be advertised stating that, unless cause is shown to the contrary at the time and place

named in the notice, such goods or things will be forfeited and at such time and place the Court, unless the owner or any person on his behalf, or other person interested in the goods or things, shows cause to the contrary, may order such goods or things or any of them to be forfeited.

(4) Any goods or things forfeited under this section, or under any other provisions of this Act, may be destroyed or otherwise disposed of, in such manner as the Court by which the same are forfeited directs.

(5) The Court may, out of any proceeds which are realised by the disposition of such goods, all trade marks and property marks and trade descriptions being first obliterated, award to any innocent party any loss which he has innocently sustained in dealing with such goods.

Punishment
of abetment
in Brunei of
act done out
of Brunei

31. Any person who, being within Brunei abets the commission without Brunei of any act which, if committed in Brunei, would under this Act be an offence may be tried for such abetment in any place in Brunei in which he is found, and be punished therefor with the punishment to which he would be liable if he had himself committed in that place the act which he abetted.

Compound-
ing offences

32. (1) Any offence punishable under this Act other than offences punishable under section 9, 13, 14, 16, 17 and 22 hereof may be compounded, or where a prosecution for any such offence is pending be compounded with the consent of the Court before which the case is pending.

(2) When any offence is compoundable under this section the abetment of such offence, or an attempt to commit such offence when such attempt is itself an offence, may be compounded in like manner.

(3) When the person who would otherwise be competent to compound an offence under this section is a minor, an idiot or a lunatic or is under some other legal

disability any person competent to contract on his behalf may compound such offence.

(4) Where an offence has been compounded under this section with the consent of the Court before which the case is pending, such composition shall have the effect of an acquittal of the accused in respect of the matters charged against him:

Provided that nothing in this section shall be construed to destroy, limit, derogate from or in any way affect the right of any other person injured by the acts complained of to institute and prosecute criminal or civil proceedings, or both, against such accused person or against any other person in respect of whom any such right exists.

(5) The provisions of section 213 and 214 of the Penal Code shall not extend to any case in which the offence may lawfully be compounded under this section. Cap. 22

PART VII

Miscellaneous

33. On the sale or in the contract for the sale of any goods to which a trade mark or mark or trade description has been applied, the vendor shall be deemed to warrant that the mark is a genuine mark and not counterfeit or falsely applied, or that the trade description is not a false trade description within the meaning of the Act, unless the contrary is expressed in some writing signed by or on behalf of the vendor, and delivered at the time of the sale or contract to and accepted by the vendee. Implied warranty

Provisions not to apply in certain cases. Misleading statement as to country of origin

34. (1) Where at the date of coming into force of this Act, a trade description was lawfully and generally applied to goods of a particular class or manufactured by a particular method to indicate the particular class or method of manufacture of such goods, the provisions of this Act with respect to false trade description shall not apply to such trade description when so applied.

(2) Where such trade description includes the name of a place or country and is calculated to mislead as to the place or country where the goods to which it is applied were actually made or produced, and the goods are not actually made or produced in that place or country, this section shall not apply unless there is added to the trade description immediately before or after the name of that place or country, in an equally conspicuous manner with that name, the name of the place or country in which the goods were actually made or produced, with a statement that they were made or produced there.

Savings

35. Nothing in this Act shall be construed so as to render liable to any prosecution or punishment any servant of a master resident in Brunei who *bona fide* acts in obedience to the instructions of such master, and on demand made by or on behalf of the prosecutor has given full information as to his master and as to the instructions which he has received from his master.

Liability of director and officers of a company

36. Where the person guilty of an offence under section 6 or 17 is a company, every director, manager, secretary, and other officer of the company who is knowingly a party to the default, shall also be guilty of the like offence and liable to the like punishment.

Penalty

37. Any person guilty of an offence under section 16 or 17 shall be liable on conviction to a fine of \$5,000 or to imprisonment for 2 years, and the Court may forfeit any goods to which the trade mark bearing the prohibited representation is applied.

38. The Court of a Magistrate shall have jurisdiction to try any offence under this Act and may, notwithstanding anything in any written law, award the full punishment with which the offence is punishable.

Trial of offences

