



INTELLECTUAL PROPERTY MALTA

Intellectual Property is often a client's most valuable asset. It is that area of business law which provides entrepreneurs, whether private individuals or corporate entities, an incentive to create and discover without the constant fear that their initiative could be threatened or prejudiced.

Today's businesses focus more and more on the value of intellectual property and the ways and means in which it may be used to generate alternative revenue streams.

Whether one wants to protect his technological inventions through patent law or the appearance of mass-produced goods through designs registration; whether an artist needs protection of his literary, artistic and musical creations or a trader needs to distinguish its goods or services from those of another trader, there are always straight-forward or hybrid solutions to achieve the utmost protection possible.

Our clients include individuals, corporations, and educational institutions located throughout the world and coming from a breadth of industries. Our portfolio holds diverse technologies such as mechanical, electrical, computer and medical devices as well as matters related to consumer products and chemical, biotechnology and pharmaceutical articles.

At Chetcuti Cauchi, the main principle behind our intellectual property practice is to achieve an in-depth knowledge of our clients' businesses and the problems encountered in their paths to absolute creativity. We seek to apply a pragmatic business approach to each client's intellectual property matters and obtain results consistent with the client's business needs, whether the client needs advice related to Malta, the European moved at a global strategic IP plan.



The exploitation, protection and enforcement of IP rights, especially in high-tech or IT driven companies, is a key element of a company's measure of success or otherwise. No business has the luxury of ignoring intangible capital and the importance of IP rights accumulated in its goodwill and in reputational aspects.



Trademarks

A trademark is often a company's most valuable intangible asset, hence the requirement of maximum protection under the laws of the market within which the company operates. When registering one's trademark, the right-holder acquires exclusive property rights on the trademark, thus enabling the owner to protect his brand against any form of infringement and misuse by third parties.

The European Union has embraced the internationalization of businesses and has envisaged a system of trademark registration which grants protection across the European borders. This system provides a single registration covering all the member states of the EU and exists alongside national trademark registrations, whilst providing an alternative to national registrations which are merely territorial. Our IP team can assist in the registration of prosecution of trademarks in Malta, Cyprus, the UK, the EU in general and internationally.

Moreover, our firm can assist in trademark searches, internet domain, disputes, brand planning and portfolio management and other IP services that might be required. We are also committed to combating piracy and counterfeiting by assisting our clients in the implementation of programs to mitigate the effects of this global phenomenon.



Patents

Patent protection is granted to patents which are novel, involve an inventive step and are susceptible of industrial application. The proprietor of the patent shall have the right to prevent third parties from performing, without his authorization, acts involving the production of the subject-matter of the patent.

Whilst patent registration is not harmonized throughout the EU, the European Patent Convention to which Malta has acceded in 2006, ensures that one may obtain a set of independent national patents.

Our IP team assists in determining the ownership of patent rights, protecting them in Malta, validating European patents in Malta and the licensing and assignment of patents in general. We also provide patent litigation services, including legal advice on the revocation of patents, eligibility of inventions for patent protection, validity of patents and enforcement of patent rights. Our firm regularly assists in patent searches in the Maltese patent registries, including SPC searches. The extent and depth of searches vary in accordance with the needs of the client.

Designs

Rights in designs allow corporations to prevent others from copying a design or drawings of the design and significant parts of it. To enable a company to obtain maximum protection it is advisable that design rights are registered.



Copyright

Copyright encompasses the protection of any creative, musical, literary or artistic work. We assist both our corporate and personal clients in matters related to copyright protection & neighbouring rights, by identifying and addressing issues, structuring the best procedure to obtain maximum protection and hence avoid or minimize the risk of copyright infringement. Our assistance also includes software and database copyright protection. We also represent clients in court litigation in Malta and Cyprus related to copyright matters.

Franchising

Franchising is the practice of using another person's business model, a method of doing business, in which the franchisor grants the franchisee, the right or privilege to sell a product or service under the franchisor's systems, procedures, get-up and structure.

Over the years our IP practice group has offered different levels of services connected to franchising law & distributorship issues which services centre on advising major international franchisors as well as assistance to local franchisees or prospective ones.

Portfolio Management

Our attorneys assist clients to design and develop intellectual property portfolios that serve specific business objectives. Our IP team's client representation ranges from single traders to large companies. Our goal for each client is always the same: to guide our client through the maze of regulations and procedures involved in obtaining IP protection so as to secure a right commensurate with the goals and business strategy of the client.

Why Malta?

Over the years Malta has, for a variety of reasons, established itself as an attractive jurisdiction for entrepreneurs wishing to safeguard their intellectual property rights. With the setting of foreign companies on our shores, with investment by financial services firms and software companies and with the Government's vision of establishing Malta as a prime ICT & financial services hub, many companies have felt the need to protect their intellectual property within our shores.



Implementation of the Bolar Provision

Malta implemented the Bolar provision in the Patents and Designs Act by virtue of ACT IX of 2003, prior to its accession to the European Union in May 2004. The Bolar provision, as introduced in Malta, does not merely permit use for experimental and scientific purposes, but extends the exemption to private and non-commercial use and for the development and presentation of information. The wide Maltese interpretation of the Bolar provision has resulted in the re-location and the launch of various branches and agencies of large and medium-sized pharmaceutical companies to Malta.

Digitalization of the Malta Patent System

In April 2007, our firm, was commissioned by Malta Enterprise and the Government's Commerce Division to compile an electronic directory of patents of medicinal products. Previously such patents had been filed in and published by the Malta Intellectual Property Directorate in hard copy registries a manual format. This directory seeks to bridge the gap between the date of implementation of the Soprano Patent system (2007) and earlier paper-based patent filings which are still valid to date. This has served to facilitate easier access to patents by the pharmaceutical industry, particularly medicinal products.



European Patent Validations

On 1 December 2006, the Maltese Government deposited its instrument of accession to the European Patent Convention (EPC) and to the Act revising the EPC of 29 November 2000 (Revision Act). Malta joined both the Patent Cooperation Treaty (PCT) and the European Patent Convention, with effect from March 1, 2007.

Subsequent to Malta's accession, the Maltese IP office introduced a formal validation procedure on patents granted by the European Patent Office (EPO). Such procedure includes the filing of translation documents, the designation of a local representative, the filing of the relative POA, and the original European patent application and specification. This procedure ensures that any patent granted by the EPO may be validated in Malta, thus enjoying Maltese protection as from the date of validation.



Business Incentives

A series of business incentives help to assist foreign and local companies, including pharmaceutical entrepreneurs in their business endeavours. These incentives include attractive corporate tax rates, tax credits on all qualifying expenditure on investments of a capital nature, and low interest loan financing.

Moreover, European Union entry has served to further consolidate Malta's position by enabling generic pharmaceutical manufacturers operating on the island to easily promote their medicines in North African markets where there are established trading routes for onward delivery particularly to the Sub-Saharan region.

Malta strived to make the most of its new status to enhance business confidence in the country. By formulating and implementing legislative and regulatory systems to encourage investment and growth in key target sectors, and by leveraging on its position in the centre of the Mediterranean, Malta has become an ideal location for intellectual property right-holders, in particular, generic pharmaceutical manufacturers and the ICT and gaming industries.

Tax Incentives for Holding Companies registering their Intellectual Property in Malta

Malta provides for tax incentives for the efficient routing of royalties through Maltese Intellectual Property Holding Companies.

As a rule, Malta does not levy any withholding tax on outbound royalty payments and dividends.

In addition, the Malta tax refund mechanism reduces effective taxation to 5% in the case of royalty income derived from a trade or business or which has suffered at least 5% foreign tax, where such income is distributed as dividends. Where royalty income is not derived from a trade or has suffered less than 5% foreign tax, the shareholder may claim a refund of 5/7ths of the Malta tax paid by the company upon a dividend distribution, thus reducing the effective tax paid in Malta to 10%. This may be further reduced by virtue of the Flat-Rate Foreign Tax Credit to 6.25%.

Furthermore, royalties derived from patents and copyrights are generally exempt from income tax, with the income remaining exempt when distributed to shareholders.

HOW CAN WE HELP?

Whilst appreciating the complexity of this market, our Intellectual Property lawyers and consultants are also sensitive to the need for fast, yet high quality legal advice across this industry. Whilst our IP team is composed of registered trademark and patent agents in Malta, we are also registered EU trademark attorneys and European patent attorneys. We also actively work with local IP attorneys and agents in different jurisdictions to ensure that the clients entire IP needs are catered for.

Our typical services would include:

- Registration of both Maltese and Community trademarks
- Trademark, design and patent searches in local and European databases and registers
- Trade mark licensing consultations
- Protecting business, trade and brand reputation
- Patent registration and protection in Malta
- Preparation and processing of European patent applications
- Designs registrations
- Assistance in franchising negotiations and drafting of agreements
- Assistance in copyright protection
- Assistance in intellectual property infringement dispute resolution
- Protection of domain names
- Negotiating and drafting of confidentiality agreements, technology transfer agreements, licensing agreements, trademarks assignment agreements



Testimonial

“Chetcuti Cauchi has been doing many different aspects of IP work for us for several years, and I have always been more than satisfied with their work. All the people at the firm with whom I have been in contact have been very professional, efficient and quick in their efforts to assist us. Dr. Maria Chetcuti Cauchi has always kept me well informed about every angle of the matters we have dealt with, extremely professional and I fully trust her advice and suggestions. Another thing which I have appreciated is her swift way of replying to our requests. I can highly recommend the firm Chetcuti Cauchi to anybody who needs IP advice on Malta.”

Cecilia Emanuelson, Trademark Manager, Ikea



Firm Overview

Our Advisory Team



Dr Jean-Philippe Chetcuti
Managing Partner



Dr Maria Chetcuti-Cauch
Senior Partner



Kenneth Camilleri
Partner



Dr Priscilla Mifsud-Parker
Partner



Michelle de Maria
Manager, Tax



Dr Silvana Zammit
Manager, Legal



Dr Charles Cassar
Manager, Legal

Our areas of practice include:

LEGAL

Art & Cultural Property
Aviation Law
Banking & Finance
Capital Markets
Commercial Law
Company Law
Dispute Resolution
Employment & Labour
Gaming Law
Immigration & Relocation
Insurance Law
Intellectual Property Law
Investments Funds
Investments Services
Maritime Law
Media & Entertainment Law
Property & Development Law
Public Service Law
Technology & Telecoms Law
Trusts & Estates Law

TAX

Tax Advisory
Tax Compliance

CORPORATE

Corporate Services
Accounting
Fiduciary
HR Management
Technology Management
Tendering Funding

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