

Singapore: “Goods in Transit” Are “Imported”

The Singapore Court of Appeal recently held that “goods in transit” are considered to be “imported” for the purpose of the Trademarks Act and thus, subject to trademark infringement claims.

In *Burberry Ltd. v. Megastar Shipping Pte Ltd* ([2019] SGCA (Court of Appeal), [More](#))

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In *Burberry Ltd. v. Megastar Shipping Pte Ltd* ([2019] SGCA (Court of Appeal), an Indonesian company, requested the respondent, Megastar Shipping to transport two sealed containers from China to Batam. The goods were held in transit in Singapore, where the Singapore Custom authorities inspected the goods and found more than 15,000 counterfeit products. The trademark owners, Burberry Ltd., filed an infringement action against Megastar.

The Singapore Court of Appeal held that “import” means “to bring or cause to be brought into Singapore.” Therefore, “goods in transit” are within the definition of “import” regardless of whether the goods are intended for sale or to be placed in the Singapore market. “Goods in transit” are “imported” because nothing in the Trademarks Act suggests that the trademark protection is limited solely to trademark owners that place goods in the Singapore market. In fact, certain provisions of the Act suggest protection for both trademark owners targeting the Singapore market as well as Singapore-registered trademark owners targeting foreign markets. Therefore, in this case, the “goods in transit” were “imported” because Megastar brought the goods into Singapore although the goods were intended for a foreign market in Batam. This decision differs from other jurisdictions, such as the UK and EUIPO that have held that “goods in transit” are not considered to be “imported.”

However, in the same case, the Singapore Court of Appeal found that Megastar did not infringe Burberry’s trademark rights because Megastar merely provided the physical act of importing the

goods. Megastar did not know and had no reason to believe that the goods bore the infringing signs because the containers were sealed and Megastar did not personally see or interact with the goods. Therefore, it would be against the letter and spirit of the Trademarks Act to impose liability against Megastar as it was only providing a commercial service as freight forwarders. *-ACL*