

Getting to know the revised IP Law of Viet Nam: A tool for business growth

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7 June 2024



Speaker's Bio

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Yen is a Principal and Country Manager of our Vietnam business.

Yen has over 17 years of experience in IP enforcement & litigation. Her specialty in contentious and non-contentious IP matters has a focus on enforcement, protection, and commercialization of trademarks, patents, copyright and domain names. Her expertise in IP stretches across multiple regions including Vietnam, Laos, and Cambodia.

Yen advises leading multinational companies on optimizing their IP portfolios in Vietnam and has extensive experience in enforcing their rights in trademark appeals/oppositions, trademark litigation, patent disputes as well as domain name disputes at WIPO Arbitration Centre.

She also handles dealing with media and entertainment law, licensing and franchising, trade secrets, and employment law in relation to intellectual property.

Yen has notable publications in AsiaLaw & Practice, World Trademark Review, and Vietnam Investment Review. She has also co-authored the book "International Copyright Law" published by Globe Law and Business.



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Agenda

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- 2. Trademark prosecution
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 - Pending applications
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- 3. Plan for specialised authorities to handle IP matters

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- 1. IP Prosecution
- 2. IP Enforcement







A. IP Prosecution

1. Patent prosecution

First filing requirements

Inventions/utility solutions in technical fields affecting national defense and security, <u>created in Vietnam</u> and the registration of which belongs to a Vietnamese citizen residing in Vietnam or an organisation established under Vietnam's Law may only be filed for invention/utility solution application overseas if the invention/utility solution application has been filed in Vietnam to undergo security control.

Article 14, Decree 65/2023/ND-CP guiding Article 89a of IP Law

Implications

- Filing in Vietnam first before going abroad is required if an invention/utility solution falls under the first-to-file obligation → If the invention/utility solution has security implications and patent owners don't want to file in Vietnam: file PCT application with IP Vietnam as Receiving Office.
- Such specific requirements for technical fields impacting national defense and security also apply where devices
 or technologies have dual civil and security applications.

Remaining questions	Recommendations for businesses	
Whether "an invention/utility solution created in Vietnam" involves the whole or just part of the invention.	Stay Informed: Watch for updates from relevant authorities (e.g., IP Vietnam).Seek Legal Advice: Consult experts familiar with the new law	
Whether first filing requirements apply when the registration right belongs to both foreign and Vietnamese entities.	and seek for clarifications in new regulations. Review Portfolios : Check existing IP portfolios against the new requirements.	



A. IP Prosecution

2. Trademark prosecution

Recognising Well-known Trademarks

Amended IP Law's new provisions facilitate well-known trademark recognition:

- Specify public perception in the well-known trademark definition
- Solidify criteria for well-known trademark recognition

Uncertainties	Recommendation for business	
 More guidance is needed to define roles for IP Vietnam and the Court in recognising well-known trademarks, given current uncertainty which hinders enforcement, even with 	Court to recognise well-known trademarks.	
sufficient evidence.	• Keep detailed records : Document your trademark's reputation, use, and recognition thoroughly.	
• In need of a structured evaluation process for identifying		
and documenting well-known trademarks.	• Stay in touch with authorities: Regularly consult with relevant government bodies like IP Vietnam before any	
• Lack of guidance on coordination among authorities creates hurdles during opposition and cancellation procedures,		
including the temporary halt in reviewing well-known trademark grounds.	Prepare a legal strategy: Develop a strategic plan to protect your well-known trademark.	



Sound Marks

For the 1st time in Vietnam, the Amended IP Law provides protection to sound marks as well as relevant grounds for refusal.

- → Businesses can now protect unique sounds associated with their brands, increasing their brand identity and recognition. Applications must include a graphic representation and an audio file of the sound, which might require additional resources and technical expertise.
- → This amendment modernises Vietnamese IP law and aligns it more closely with international standards, potentially boosting innovation and brand development.





Zombie Marks

Earlier IP Law

• *five-year* citable period for expired trade marks

Amended IP Law

• *three-year* citable for expired trade marks

From 1 Jan 2023, this provision will apply to applications that have not received any final registration/refusal decision

- → Allow temporary suspension of examination until the citable period passed.
- → Letter from the cited mark's owner may facilitate the registration of the applied mark.
- → Refiling is no longer required.



Misleading Use and Genericisation

Misleading use and genericisation of trade marks are explicitly named as grounds of cancellation:

A trade mark registration can be cancelled if the trade mark is:

- (i) used in a manner that misleads the public as to the nature, quality, or geographical origin of goods/services, or
- (ii) becomes the common name of the covered goods/services.
- → Both owner and consumers should have better control of trade mark usage to avoid misuse and genericisation.
- → The usage must consist with the registered scope of protection.
- → The owner should have clear guidelines/ regulations that regulates trade mark usage of relevant parties.
- → Trade mark indications such as ® ™ can help avoiding genericisation.



Pending applications are no longer cited to refuse later filings

Old Practice	Current Practice
• IP Vietnam used to raise pending applied	IP Vietnam only cites registered marks as citations.
trademarks as citations to refuse later-filed trademarks under the first-to-file principle.	 If an applied mark is considered confusingly similar to an earlier pending mark, IP Vietnam will suspend the examination for the applied mark until the status of the cited mark is determined.
	 That said, as to IRs, since the examination procedure is limited to 12 months, IP Vietnam will continue citing prior pending marks in the provisional refusals. However, the applicant can still request IP Vietnam to postpone the examination of the IR until the status of the cited mark is determined.

- → The shift to citing only registered marks creates a more predictable environment for applicants, as they can rely on the public register to assess potential conflicts.
- → The temporary suspension of examinations introduces an element of uncertainty.



Bad-faith filings

Earlier IP Law	Amended IP Law	
Merely a reason for extending the timeframe to initiate an invalidation.	Explicitly regulated as a legal ground to invalidate/ oppose/ refuse a trademark registration/ application.	
Not a legal ground to invalidate/ oppose/ refuse a trademark.	→ Equip trademark owners with a legal scheme to tackle trademark squatting.	
	That said, it is challenging to use this regulation to tackle trademark squatting given the requirements on proof of use in Vietnam or well-known trademark (confusingly similar to a widely used mark in Vietnam or well-known mark in any other jurisdiction for identical or similar goods/services).	





A. IP Prosecution

3. Opposition procedure

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Opposition procedure

	Previous	regulati	ons
•	Allow th	ird parti	es to
	submit	opinion	s on
	registrab	ility	of
	pending	trade	mark
	and	d	lesign
	applicati	ons, \	which
	are pr	ocessed	via
	opposition	on proce	dure,
	at any ti	me befo	re IP
	Vietnam	's	final
	decision		
	\rightarrow \sim	General	and

→ General and lacked specific details regarding the timeframe.

Amended IP Law

- Separate procedures for third parties:
 - (i) Opposition: must be initiated within 05 months from the trademark publication or 04 months from the industrial design publication.
 - (ii) Third-Party Opinion: can be submitted before the IP Vietnam's final decision.
 - → Significantly shorter than the previous practice. While oppositions follow legal processes, third-party opinions serve as references only.
 - → IP owners should invest in monitoring services to locate and take necessary actions against conflicting marks/designs in time.
- No opposition procedure under current laws for international industrial design filings via the Hague system and international trademark filings via the Madrid Protocol. However, third parties can submit opinions before the end of the 12-month-examination period for trade mark filings or 06-month-examination period for industrial design filings.
 - → National filings grant more rights to third parties.
 - → Third parties should proactively monitor the examination results of the international trademark/design filings to check if their opinion has been accepted or not.





B. IP Enforcement

1. Copyright enforcement

Presumption of Copyright Ownership

• Amended IP Law supplements for the assumptions of copyrights, related rights, reducing the burden of proof of IP rights for the rights holders in enforcement activities.

Individuals and organisations named in the usual manner (i.e., name appearing on the original work, first fixation of performance, audio and visual fixation, broadcast, or named on their corresponding copies that are legally published) shall be deemed as the right holders.

- On April 26, 2023, the Vietnamese government issued Decree No. 17/2023/ND-CP detailing some articles and enforcement measures of the 2022 Intellectual Property Law with respect to copyright and related rights ("Decree 17").
- Decree 17 covers the protection of copyright and related rights to a very detailed extent, including the presumption of copyright and related rights. Decree 17 also adds a separate section on the assessment of copyright and related rights (definitions, procedures, objects, etc.).
- The mechanisms to determine infringements and damages are clearly provided, including:
 - Grounds for determining the nature and extent of infringement;
 - o Principles for the determination of damages; and
 - o The definition and calculation of mental loss, property damage, decline in income and profit, and loss of business opportunities.





B. IP Enforcement

2. Administrative actions against IP violations



Updates on Administrative Sanctions

- Administrative routes are still most preferrable to deal with IP infringements due to time efficiency.
 Only serious cases at large scale can level up to criminal offense.
- Decree 46/2024/ND-CP dated 4 May 2024 concerning penalties for administrative violations in industrial property ("Decree 46") replaces Decree No. 99/2013/ND-CP – one of the most important guides relating to administrative actions against IP violations.

- Decree 46 presents significant updates, covering authority overlapping and legal gaps in dealing with recently emerging infringing acts, providing a better instrument for the right holders to enforce the rights, such as -
 - Fine for new infringing acts set out in the amended IP Law 2022: Act of using patents, utility solutions, layout designs and industrial designs without paying compensation, and using the licensed trademark on goods or packaging under a non-written trademark license.
 - O **Violations relating to domain names**: The law enforcement authorities now can request VNNIC and the domain registrars to coordinate, provide expert opinions and to maintain the status quo for the domain names at issue in the process of handling administrative violations.
 - Clarification of authority of The Department of Market Surveillance ("DMS") and the Customs:
 - (i) DMS handles violations relating to counterfeit and infringing goods in the domestic market.
 - (ii) Customs is entitled to handle violations in the importation, transit, and transportation of goods within customs operating areas.



Updates on Administrative sanctions

ISSUES / CONCERNS

However, administrative option has its limitations:

- Only suitable for straightforward IP disputes, not complicated cases when more advanced IP knowledge and time are required for a sanction decision.
- o Administrative sanctions are less deterrent to infringers.
- Lacking connection between administrative authorities and E-commerce platforms. A sanctioned seller can still operate
 normally on the platform, and the rights holders will need to continue working with the platforms to ensure a complete
 removal of IP infringing products.
- Civil court is not suitable if the rights holder is seeking a quick action to cease the infringement as it takes significant time and
 effort.
- Challenges in providing proof of damage to claim damage compensation in IP litigation cases.



More attention to domain names and online enforcement

- Law enforcement authorities now can request VNNIC and the domain registrars to coordinate, provide expert opinions and maintain the status quo for the domain names at issue in the process of handling administrative violations. This reduces the risk of temporary suspension of domain dispute cases when a domain is inactivated.
- Responsibilities of Internet Service Provider ("ISP"), including E-commerce platforms, under the Amended IP Law,
 Decree 52/2013/ND-CP, Circular 59/2015/TT-BCT, Circular 01/2022/TT-BCT and Decree 17/2023/ND-CP:
 - o ISPs are generally liable for addressing IP infringement on their platforms, including using technical measures and cooperating with authorities and IPR owners. Exceptions apply in case of ISPs' inevitable unawareness.
 - ISPs must
 - (i) remove IP infringements upon detection or receiving requests from IPR owners and provide a means for third-party complaints, and
 - (ii) assist authorities by providing information related to IP infringements for case handling.
- → Right holders are encouraged to take actions against online IP infringements.
- The Ministry of Industry and Trade is proposing legal requirements for identity verification for sellers on ecommerce platforms before the National Assembly. This would benefit rights holders in enforcement activities, addressing the longstanding challenge of identifying infringers.





More attention to domain names and online enforcement

ISSUES / CONCERNS

- Platforms
 - o are quite passive in taking action and their actions are mainly based on rights holders' Notice-and-Takedown requests ("NTD").
 - o are struggling to deal with a high number of reports.
 - lack an educational channel for infringers.
 - inconsistently require documents to support the claim.
- Endless Notice-and-Takedown requests: no connection between administrative sanction and the E-commerce platforms, repeated infringement is not an aggravating factor when the platforms review the NTD, lack communication between rights holders and platforms to have a comprehensive approach.
- Rights holders can't challenge the platform's decision as to NTD requests unless they bring the case to the authority.
- Collecting further information of infringers is challenging as the e-commerce platforms only provide such information per the authority's request.
- No consistent guidance on required information or evidence of infringement for the law enforcement authorities to initiate a case against online IP infringement.





Expert opinions remain important in IP enforcement cases

- Expert opinions are not compulsory documents to support a complaint against acts of trademark infringement.
- Recently, the Supreme People's Procuracy of Vietnam ("SPP") issued an internal notice sharing its viewpoint as to expert opinion, in which they –
 - Acknowledge expert opinions of the Vietnam Intellectual Property Research Institute ("VIPRI") is essential in complicated cases to determine the infringement before bringing the case to the court.
 - Recommend the court carefully assess the VIPRI's opinion as appropriate evidence in future IP cases.
- While there has been no IP court yet, the increasing weight of expert opinions may help improve the quality of decision/ judgement in IP disputes.
- In practice, rights holders often use expert opinions as a reference to determine the type of infringement, address the IP concerns to the infringers, or to initiate an IP case before the authorities. However, as expert opinions are for reference purpose only, its legal value in an IP enforcement cases remains controversial.





Expert opinions remain important in IP enforcement cases

ISSUES / CONCERNS

In practice

- Two-times-assessment progress of identical infringing signs is redundant and costly for rights owners:
 - Enforcement authorities often expect IPR owners to seek expert opinions from VIPRI before submitting a complaint. An
 assessment conclusion of VIPRI will act as an initial ground for enforcement authorities to inspect/raid against the
 counterparty.
 - Once the concerned products are seized, enforcement authorities will submit another assessment request to VIPRI based on the seized products from the raid, regardless the identical of infringing signs.
- Sometimes, there are conflicts between the first and the second assessment from VIPRI, or between VIPRI and other IP experts (i.e., IP Vietnam) due to different perspectives.
- VIPRI conclusions however can be challenged at the court if the assessment procedure was conducted inappropriately, e.g., without the actual sample if required by law, or the assessment doesn't cover the scope of protection of the violated object.





B. IP Enforcement

3. Plan for specialised authorities to handle IP matters

Plan for specialised authorities to handle IP matters

- IP Vietnam plans to handle IP violations: This presents a good option for the rights holders to deal with complex cases, with the involvement of IP experts. It also appears that the Inspectorates of the Ministry of Science and Technology ("MOST") gradually move away from handling IP violations.
- **IP-specialised Court**: IP Court is proposed to be established as one of specialized courts in the Draft Law on the Organization of People's Court 2024. If the Draft is passed, this expects to open better venue for IP disputes.

ISSUES / CONCERNS

- We expect certain delays during the transition period when MOST an expert in complicated IP infringement cases now moved away from handling IP violations.
- IP Vietnam gradually develops experiences in enforcement, and may take some time if they take on enforcement role.
- There might be conflict opinions between IP Vietnam, VIPRI and other enforcement authorities in assessing the same infringing sign – due to different approaches between prosecution and enforcement perspective.





C. Takeaways

1. IP Prosecution





Opposition Procedure

Much as the Amended IP Law's new provisions facilitate well-known trademark recognition, right-holders should protect their trademark via filings to ensure smoother enforcement in straight-forward cases of infringement.

Given the shortened timeframe for filing oppositions, monitoring IP register to spot potentially conflicting applications in time is very important for prior right-holders to locate and take necessary actions against conflicting marks/designs.

- → Work closely with the relevant authorities to submit feedback to improve prosecution process.
- → Stay alert, keep an eye out for any new guidelines, and adjust business strategies to be consistent with the most recent regulations.
- → Consult with IP counsels to monitor potentially conflicting applications, review and revise applications, ensuring they comply with the current regulations.







C. Takeaways

2. IP Enforcement



Awareness in online enforcement



Effective choice of legal actions



Expert opinions in enforcement

Partner with brand protection groups for expedited takedowns and thorough online-to-offline investigations.

Promote improved online enforcement methods and seamless coordination among enforcement agencies.

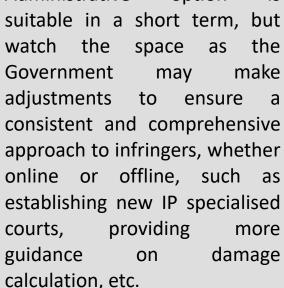
Enhance direct communication with e-commerce platforms for efficient infringement handling.

Rights holders should carefully assess the case and initiate suitable legal actions.

Administrative option space as may to ensure a providing on

Rights holders should collaborate with industry associations and legal experts to advocate for improvements regarding expert opinions, including, e.g.:

- (i) A mechanism to provide expert opinions with one agency per case to streamline the process and reduce costs.
- (ii) Capacity building programs for enforcement authorities to enhance their expertise handling IP infringement cases, reducing their reliance on external expert opinions.









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Vietnam IP Country Factsheet







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