

Vietnam IP News Bulletin

Kenfox IP & Law Office

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IP UPDATE - VIETNAM REVISES ITS IP LAW IN 2019

In the year 2018-2019, Vietnam entered two international important trade deals, which require, inter alia, higher standard for IP protection in Vietnam. The first one is the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (“CPTPP”), which was signed in March 2018, and then approved by the National Assembly of Vietnam in November 2018. The CPTPP officially came into force as from 14 January 2019. The second one is the EU-Vietnam Free Trade Agreement (“EVFTA”), which was signed in June 2019.

On 14 June 2019, the National Assembly of Vietnam ratified Law No.42/2019/QH14 amending the Intellectual Property Law (issued in 2005 and revised in 2009) (“the amended IP Law”) to bring the existing laws to be compatible with the requirements of the CPTPP. This amended IP Law takes effect retroactively from 14 January 2019, the date of the entry into force of the CPTPP in Vietnam.

KENFOX provides major changes introduced in the amended IP Law in the below table for your reference.

Contents	New regulations (Amended IP Law)	Old regulations
General matters	<i>E-filing</i>	
	E-filing of applications for establishing industrial property rights apart from the traditional paper filing route has been Officially provided.	No specific provisions concerning electronic filing.
Trademark	<i>Recordal of trademark license agreements:</i>	
	No longer required to be registered with IP Office of Vietnam.	Must be registered with IP Office of Vietnam.
	<i>Use of trademark by licensee:</i>	
	Use of a trademark by a licensee	Not clearly provided.

	constitutes use of this trademark by the holder (<i>for defense against non-use cancellation, for example</i>)	
Geographical Indications	<i>Determination of whether a term is the common name of goods:</i>	
	The awareness/perception of the relevant Vietnamese consumers will be taken into account to determine whether a term is the common name of goods.	No details on the method or criteria for determining whether a term was a common name
	<i>Third-party opposition to geographical indication applications</i>	
	A geographical indication is considered identical or similar to a registered trademark, or a pending trademark under an earlier application, when the use of such geographical indication is <u>likely to</u> cause confusion (instead of “ <u>will</u> cause confusion” under the previous IP Law) as to the origin of the prior trademark. This amendment not only extends the protection of a registered trademark, but also provides another ground for opposition to a geographical indication application, by adding pending trademarks under earlier applications	N/A
	<i>Recognition and protection of geographical indications under international agreements</i>	
Rights to geographical indications can be established under international agreements to which Vietnam is a contracting party, without the need to undergo a separate registration procedure in Vietnam. Accordingly, for a request for recognition and protection of a geographical indication under international agreements, the procedure for publication, opposition, assessment of registrability and determination of the scope of protection for that geographical indication will be implemented similarly to the procedures applied for an application for geographical indication registration	Not clearly provided	

	filed before.	
Patents	<i>Grace period applicable to utility patents</i>	
	<p>An invention will not be considered to lack novelty or an inventive step due to public disclosure if: (i) such public disclosure is made by the patent applicant or by a person that obtained the information directly or indirectly from the patent applicant; and (ii) the patent application is filed within 12 months from the date of public disclosure.</p> <p>This exception does not apply to circumstances where an invention is disclosed in a patent application or granted patent which is made available to the public or published by a patent office, unless erroneously published or unless the application was filed without the consent of the inventor or their successor in title, by a third person who obtained the information directly or indirectly from the inventor.</p>	The grace period is 06 months from the date of disclosure to the filing date, and applied to only a limited number of circumstances
Enforcement of IP Rights	<i>Grounds for claiming compensation caused by IP infringement</i>	
	<p>Possible for a holder of IP rights to claim compensation for infringement on any legal basis which the rights holder is able to prove.</p> <p>Under the CPTPP, such determination basis could include lost profits, the value of the infringed goods or services measured by the market price or the suggested retail price, or the infringer's profits generated from the infringement.</p>	Only two grounds/options for calculating damages to claim compensation caused by IPR infringement.
	<i>Attorney's fees</i>	
	In IP lawsuits, the defendant who receives acquittal from the Court is entitled to request the Court to order the plaintiff to reimburse for their reasonable expenses such as the cost of hiring a lawyer or other expenses in	N/A

	accordance with laws.	
	<i>Abuse of IP rights</i>	
	Any parties suffering damages caused by other persons abusing the enforcement procedures with regard to IPRs shall have right to request the court to order the persons abusing the enforcement procedures to compensate for the damages caused by the abuse, which may include appropriate attorney's fees.	Not clearly provided.
	<i>Obligations of customs to provide information on suspected infringing goods</i>	
	Within 30 days from the issuance date of a decision on suspending customs procedures, the customs agency must provide the rights holder with information on the name and address of the shipper, exporter, consignee, or importer; and a description of the goods, quantity of goods, and country of origin of the goods (if known)	Customs agency was only obliged to provide information to IP rights holders if there was a request for suspension and inspection

As said above, Vietnam IP Law has been amended in response to the requirements of the CPTPP. For the EVFTA, although it has not come into effect now, it is expected that IPR system/regulations of Vietnam will soon see various substantial changes, probably in trademark, industrial design, patent and IPR enforcement related matters in the coming time.

KENFOX IP & Law Office, is one of the leading IP law firms providing a full spectrum of IP related services in **Vietnam**, **Laos**, **Cambodia** and **Myanmar**. With a team of fully qualified and experienced attorneys and specialists in the IP field and such key technology fields as: *Biology, Biomedical Engineering, Chemical Engineering, Chemistry, Civil Engineering, Computer Science, Electrical Engineering, Mechanical Engineering, Electronics, Pharmacy or Telecommunication, etc.*, we take great pride in providing a wide range of discerning clients around the world with professional and high quality services vis-à-vis establishing and enforcing IP rights in the above jurisdictions.

*Should your clients be interested in IP protection in the above-mentioned jurisdictions, please feel free to **contact us**.*