

Copyright – a powerful and effective tool to repress trademark and industrial design infringements in Vietnam



Introduction

The Intellectual property of reputable and well-known businesses is perpetually the target of imitation, copying and counterfeiting.

Practice indicates that enforcing trademark and industrial design rights in Vietnam presents numerous challenges, exacerbated by the length of time required to examine trademark industrial design applications in Vietnam. The actual examination time for a trademark application can range between 16-18 months, or even several years, if the trademark is opposed by a third party or is refused by the Intellectual Property Office of Vietnam. The prolonged time for trademark industrial design examination in Vietnam contributes significantly to the aforementioned situation, and at the same time, it also gives rise to a slew of negative consequences:

- (i) Third parties take advantage of the pendency of trademark industrial design to commercialize their products without fear of being sued;
- (ii) Although the unregistered trademark industrial design has been widely used in legal business activities in Vietnam and has developed into a commercial indication, Vietnamese Enforcement Authorities are reluctant to deal with alleged unfair competition actions;
- (iii) Third parties take advantage of the copyright protection mechanism to register the trademark or design of the product packaging of the legitimate trademark owner as a copyright as a way to obstruct enforcement actions by rights holders, even after the mark has been granted a Trademark Registration Certificate. In Vietnam, invalidating a copyright registration is not easy and often takes a long time.

Registering Trademark, Industrial Design or Copyright?

In many cases, a logo may qualify for protection as a trademark and/or copyright, while a product packaging may qualify for concurrent protection under all three types of Intellectual Property (IP): trademark, industrial design (ID) and copyright. Numerous rights holders register trademarks and IDs in the belief that anti-infringement enforcement based on trademark and ID rights will be stronger and more effective than copyright. Therefore, for a long time, copyright has been only viewed as a source of supporting documents/arguments in intellectual property rights (IPR) protection strategies. As a result, the establishment and protection of copyright in Vietnam has been undervalued and ignored.

When trademarks/ID rights have not been established, many rights holders choose to send Warning/Cease & Desist Letters, or initiate anti-unfair competition measures. Winning the battle against unfair competition in Vietnam is never easy. Vietnamese laws impose severe requirements on the burden of proof placed on rights holders. However, it is impossible to provide documents evidencing the wide use in accordance with the aforesaid laws, because where should rights holders obtain such documents and evidence if they have just launched their products on the market, and immediately thereafter, products with similar packaging or designs appear? Moreover, the above-mentioned laws make no quantitative explanation of the concept of "wide use".

While trademark/ID registration can take more than 1 year, or several years, copyright registration in Vietnam is relatively quick and simple. Along with meeting the "originality" requirement (*i.e. a work is protected on the basis of*

the author's creation, regardless of novelty or creativity), the grant of a Copyright Registration Certificate to a work is primarily based on the commitment that the work was created by the author himself and did not copy from that of any other individual/organization. The downside risk of the copyright registration in Vietnam is that, due to the extremely "fast" and "open" nature of this mechanism, many trademarks or logos, and other IP types belonging to rights holders have been illegally copied, registered as works of applied art, and granted Copyright Registration Certificates. Obviously, this is a large legal loophole that has been abused. This will certainly spark many disputes and conflicts over IP rights, escalating them into serious and uncontrollable problems.

Solution?

The recent signing of big trade pacts, such as the EU-Vietnam Free Trade Agreement ("EVFTA"), the Comprehensive and Progressive Trans-Pacific Partnership Agreement ("CPTPP"), the Regional Comprehensive Economic Partnership ("RCEP") and the UK Vietnam Free Trade Agreement ("UKVFTA") have triggered a continuous amendment of Vietnam's IP Law that is expected to meet a higher standard of intellectual property protection. However, reality shows that fighting IPR infringement is often a never-ending battle in many jurisdictions. Therefore, instead of waiting for a change in national legislation, protecting yourself against IP theft is still a wise and effective approach. To mitigate the above-mentioned negative consequences, fight against IPR infringements in Vietnam, and prevent and limit damage, businesses may consider carrying out the necessary procedures to register for protection of their trademarks and product packaging designs in the form of copyrights in Vietnam, in addition to trademark and/or industrial design registration before launching products on the market.

Copyright registration is inexpensive, and fast enough , (between 15-20 working days). Vietnamese law does not prohibit the registration of an IP object under two or three types of IP, as long as it satisfies the protection criteria. In the context that the trademark/ID has not been granted a protection title and it is not easy to prove that "commercial indications" have been widely used in Vietnam, possessing a Copyright Registration Certificate in Vietnam for a trademark or product packaging design will bring many benefits to businesses in the following:

- *Burden of proof:* In Vietnam, the holder of a Copyright Registration Certificate is not required to prove ownership of the work in dispute.
- *Assessment of copyright infringement:* Before filing a copyright alleged infringement case with a competent authority, to support the allegation, a rights holder may submit a request for assessment to the Expertise Center of Copyright and Related Rights ("ECCR") based on his Copyright Registration Certificate a Vietnamese government agency competent to give expert opinions on copyright and related rights infringement. Unlike trademark/ID protection, evidence of Copyright Registration Certificates granted by foreign copyright offices in Berne Member Countries will also be considered by the ECCR.
- *Legal grounds for asserting IPR rights:* Vietnamese enforcement agencies hesitate to take enforcement measures if right holders do not submit the Copyright Registration Certificate along with the petition for handling copyright infringement under administrative and/or civil proceedings. Therefore, the Copyright Registration Certificate facilitates enforcement actions against copyright infringement.
- *Avoiding IP theft or appropriation:* Early registration of works in Vietnam helps decrease the danger and risk of being appropriated by other organizations/individuals seeking to register and acquire legal ownership of the work.

For the reasons mentioned above, the Copyright Registration Certificate will become a powerful and effective tool to seek protection in Trademark/Industrial Design disputes/infringement, especially in the context of if the object is still under examination and has not been granted a Trademark Registration Certificate and/or a Design Patent.

Is the Copyright Registration Certificate enough?

In complex disputes involving Copyright-Trademark-Industrial Design infringement, practice indicates that a Copyright Registration Certificate will sometimes only play the role as an initial/preliminary proof/evidence. A third party or competitor may claim/assert themselves to be the creator of the disputed work/trademark/industrial design, or challenge the protected work's validity on the grounds that it is not original.

In other words, submitting a Copyright Registration Certificate alone may not be sufficient to establish ownership of the registered work in a Copyright-Trademark-Industrial Design dispute. In such a case, in order to solidify/consolidate the legal basis, strengthen their position, and gain an advantage when a third party/competitor

initiates one/ or more IPR disputes, the owners should proactively collect, systematically store, and submit proof of their own independent creation and design of the works as a solid basis for establishing their copyright.

The bottom line

IPR infringements are becoming increasingly sophisticated, pervasive, and continuing to grow at an alarming rate in Vietnam. Waiting for years for a trademark/ID to be granted protection in Vietnam is not an effective therapy and it will definitely expose your business to irreparable risks and damage. Meanwhile, in Vietnam, initiating anti-unfair competition proceedings requires a very heavy burden of proof. Therefore, at this current stage, a time-efficient and fast IPR protection strategy, in our opinion, should be: prioritizing all necessary resources for copyright registration in addition to the registration of trademark/ID (if applicable) as soon as possible, especially when the ECCR has carried out the assessment of copyright and related rights infringement upon the requirements of IPR holders and Vietnamese authorities.

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