

## Copyright defeats trademark rights – Two typical cases to better understand the benefits of copyright registration in Vietnam

*First-to-file is not an absolute and immutable principle in establishing trademark rights. In a broader sense, it is not at default that when you are the first filer of the trademark, you will automatically be the trademark owner in perpetuity in Vietnam. A trademark registration certificate issued by the IP Office of Vietnam (IP VIETNAM) is not automatically a legal tool to protect you from allegations of intellectual property infringement. We provide two typical copyright-trademark conflict cases, one in China and one in Vietnam to demonstrate significance of copyright in winning trademark disputes. If not for earlier copyright, the legitimate owner would not be able to reclaim their trademarks.*

### 1. A conflict between copyright and trademark in China

On December 16, 2021, the Supreme People's Court of China reversed the earlier rulings for the more than five-year copyright and trademark dispute case between Qingdao Fuku Electronics Co., Ltd. and Zheng Jianhong, the legal representative of Zhanjiang Yipinshi Electrical Appliance Co., Ltd., whereby copyright was reviewed on a pre-established basis and defeated the trademark rights.

#### Copyright by Fuku Company


In 2006, Fuku Electronics Co., Ltd., a company in Korea, manufactured electric pressure cookers using a logo




inspired by the famous Korean calligraphy: (pronounced "Yipinshi" in Chinese). The copyright attached to this artistic creation was later transferred to Qingdao Fuku Electronics Co., Ltd. (**Fuku Company**), a Chinese company.

#### The trademark of Zheng Jianhong

In July 2007 and April 2008, Zheng Jianhong, the legal representative of Zhanjiang Yipinshi Electrical

Appliance Co., Ltd., (**Yipinshi Company**) filed two trademark applications for “” No. 6671221

and “” No. 6175220 for “electric pressure cookers” in class 11. Zheng Jianhong subsequently authorized Yipinshi Company to use the trademark.

In 2016, after more than 5 years of trademark registration, Zheng Jianhong and Yipinshi Company filed a lawsuit against Fuku Company's trademark infringement before the Shenzhen Intermediate Court. In response, Fuku Company sued Zheng Jianhong and Yipinshi Company for copyright infringement.

#### Judgment of the Supreme People's Court recognizing the originality of works protected by copyright



The Supreme People's Court reversed the lower court's rulings on the grounds that:

- specific calligraphy characters can form works of art even if they use fonts already familiar to the general public. As long as the author creates the calligraphy independently and expresses his or her individuality, it can meet the originality requirement under Copyright Law and become a protected work under that Law;
- the "Yipinshi" calligraphic characters are more or less different from the existing characters known to the general public, and more importantly, their combination is the result of selection and arrangement brought to bear individuality, belongs to the original expression of the author, and should be treated as a work of art within the spirit of Law on Copyright;
- even though the logo has been trademarked for more than 5 years (a non-use period), its use may still constitute copyright infringement;
- the copyright granted to the artwork owned by the Fuku Company was established prior to the time of filing the trademark applications by Zheng Jianhong;
- the logo used by Zheng Jianhong and Yipinshi Company for the two trademarks is essentially the same as the artwork owned by Fuku company.

Therefore, the Supreme People's Court of China recognized the prior copyright of the Plaintiff (Fuku Company) and ruled that Zheng Jianhong and his company had violated the copyright. The Supreme People's Court ordered Zheng Jianhong and his company to immediately cease infringing on Qingdao Fuku's artwork "Yipinshi" and to pay Qingdao Fuku 500,000 yuan in compensation for material harm and reasonable expenses.

## 2. A conflict between copyright and trademark in Vietnam

Recently, IP VIETNAM accepted and resolved a copyright and trademark dispute under the opposition filed by Musidor B.V Company (the opponent) against the grant of trademark protection for an individual in Vietnam (the adverse party) on the grounds that the trademark applied for registration contains elements that are identical to the opponent's copyrighted work.

Musidor B.V logo	Applied-for trademark in Vietnam
 (Tongue and Lips logo)	

### Opponent:

John Pasche, a young British designer, was commissioned in 1970 by The Rolling Stones to create a logo consisting of a stylised tongue and lips logo. Later, John Pasche sold the rights to his logo to the Rolling Stones' company, Musidor B.V (The Opponent). The opponent is not only the legal owner of the logo's copyright, but also the owner of the trademark bearing this logo in more than 50 countries around the world, associated with the company's name. However, the well-known rock band The Rolling Stones has not registered this trademark in Vietnam.

### Adverse Party:



In January 2016, a Vietnamese individual filed a trademark application "HANOI ROCKS HOSTEL" containing the graphic sign "Lip and tongue logo" for "Temporary accommodation rental service; temporary accommodation for tenants; food and beverage" in class 43 and uses this trademark for a hotel in Hanoi as well as on website and social networks.

### Opponent's arguments:

In September 2016, Musidor B.V Company filed a Notice of Opposition against the trademark application with the following evidences and arguments:

- First, the expression of the "stylized tongue and lips logo" is regarded as a work of applied art and meets the requirements for copyright protection under Vietnamese law. Article 3 of the Berne Convention - International Convention for the Protection of Literary and Artistic Works, to which Vietnam is a contracting party, stipulates that Vietnam is responsible for copyright protection for authors and copyright holders of other countries that are contracting parties to the Convention, including England - the author's country of nationality;
- Second, the "tongue and lips" trademark by Musidor B.V. is a well-known brand that is protected as a trademark in more than 50 countries worldwide and was extensively used and recognized prior to the filing date of the trademark application.
- Thirdly, the opposing party utilizes, without authorization, a sign identical to the logo "stylized tongue and lips logo" created and lawfully owned by Musidor B.V.

### The decision of IP VIETNAM on application of the principle of previously established rights

IP VIETNAM accepted the opposition of Musidor B.V. and issued a decision on refusal of registration to the opposed party because the trademark applied for registration coincides with the applied art work "tongue and lips" under the copyright protection scope of the opponent, which has been established and widely known in accordance with Article 39.4g of Circular No. 01/ 2007 TT-BKHCN providing that a figurative sign is considered indistinguishable and unprotectable as a trademark if it is "identical or confusingly similar to images of

characters or figures in other persons widely known works under copyright protection, unless it is so permitted by the owners of those works".

### 3. Lessons learned:

(i) Originality is a necessary condition for a work to be protected by Copyright Law. Trademark squatting is largely seen nowadays in various jurisdictions. It is critical that IPR holders preserve evidence to prove that they are the first creator of the logo and has used it extensively in commerce if they fall into circumstances where their unregistered logos were applied for registration in form of trademarks by other bad faith individuals/entities in Vietnam.

(ii) Copyright usually arises before trademark rights and is at the core of creativity. The typical case in Vietnam and China proves this. Specifically, **the basis of prior copyright is the main one** that helps Musidor B.V defeat the infringing party, meanwhile, the addition of evidence proving that the trademark is also the widely known work "tongue and lips" by Musidor B.V. serves as a basis of reference that strengthens the basis of prior copyright.

(iii) Conflicts between trademarks and copyrights are prevalent in numerous jurisdictions throughout the world. The phenomenon that this person's logo or applied artwork is registered as a trademark by speculators is not an uncommon phenomenon.

Like China, Vietnam also applies the "first-to-file" principle in establishing intellectual property rights to trademarks. The two disputes between copyright and trademark mentioned above demonstrate that: (i) First-to-file is not an absolute and immutable principle in establishing trademark rights. In a broader sense, it is not at default that when you are the first filer of the trademark, you will automatically be the trademark owner in perpetuity in Vietnam and (ii) A trademark registration certificate issued by IP VIETNAM is not automatically a legal tool to protect you from allegations of intellectual property infringement. In a broader sense, even if a trademark has been granted a protection title, there is no guarantee that your use of such a registered trademark will not constitute an infringement of the intellectual property rights others.

Vietnamese law has established the principle of handling conflicts between types of rights, specifically, under Article 17 on "*Respect for previously established rights*" under Decree 103/2006/ND-CP which stipulates that **[Industrial property rights of an organization or individual may be invalidated or banned from exercise if they conflict with previously established intellectual property rights of another organization or individual]**. Thus, if there are sufficient documents and evidences to prove that the rights to the work protected in the form of copyright have been established before the filing date of the trademark application, you can request IP VIETNAM to cancel other's registered trademarks.

(iv) Whether or not the copyright owner uses the work as a trademark does not affect the protection under copyright. That is, the registration of a figurative sign as a trademark has no influence on the determination of copyright infringement. In other words, the successful registration of a figurative sign as a trademark does not establish that the mark has satisfied the protection criteria. Even if a trademark has been registered for more than five years (the customary cancellation term), its usage may still constitute a violation of the previously established copyright, and the user is liable for copyright infringement under the law.

(v) In Vietnam, a sign or logo might simultaneously satisfy the requirements for trademark and copyright protection. In addition to trademark registration, it is advisable for holders of intellectual property rights to register their logo as a work of applied art with the Vietnam Copyright Office to take advantage of the preceding emergence of copyright. Copyright registration is a straightforward and expedient process. When you are awarded a Copyright Registration Certificate, you will have the exclusive right to use the work and the ability to request intervention from a state agency if a third party is found to be using a logo that is identical to the one you have registered.

(vi) A Copyright Registration Certificate can be used as the legal basis for requesting an assessment of infringement from the [Expertise Center of Copyright and Related Right \(ECCR\)](#) – an agency under the Ministry of Culture, Sports, and Tourism that specializes in providing expert opinions / assessment conclusions on copyright and related rights infringement. If you acquire ECCR's assessment conclusion confirming that a third party infringes your copyright, the Vietnamese enforcement agency will likely approve your petition for IPR infringement handling.

The benefits of registering for copyright protection in Vietnam are undeniable. You can refer to our article titled "[Copyright - An Effective Weapon in Preventing Infringement of Trademarks and Industrial Designs in Vietnam](#)" for more insights.

**KENFOX IP & LAW OFFICE**, one of the professional IP service providers with the strongest and fastest growth in patent services, offers a comprehensive range of IP services in Vietnam, Laos, Cambodia, Myanmar, and other Asian nations. KENFOX entered the list of the top ten patent filing companies at IP Vietnam in 2019. In 2020 and 2021, KENFOX ranked among Vietnam's top 20 patent filing firms. KENFOX is proud to be consistently voted "Boutique Trademark Law Firm of the Year in Vietnam" by major international organizations in 2021-2022 by Global Law Experts and "Laos IP Firm of the Year for the 2021 Asia IP Awards" by Asia IP.

Contact KENFOX IP & Law Office immediately if you need a professional intellectual property services firm to assist you in developing your business in the proper direction.

By Nguyen Vu QUAN  
Partner & IP Attorney

#### Contact

##### **KENFOX IP & Law Office**

Building No. 6, Lane 12/93, Chinh Kinh Street, Nhan Chinh Ward, Thanh Xuan District, Hanoi, Vietnam

Tel: +84 24 3724 5656

Email: [info@kenfoxlaw.com](mailto:info@kenfoxlaw.com) / [kenfox@kenfoxlaw.com](mailto:kenfox@kenfoxlaw.com)