

## Bac Ninh Police Seize a Large Cache of Electronic Cigarette Liquid Burners

### 1. Case Brief

In a significant operation, the Bac Ninh City Police have temporarily seized an extensive collection of electronic cigarette components, including nearly 400,000 finished liquid burners, in excess of 300 bottles of various essential oils, and several machines used in the manufacture of e-cigarettes. These items were of unknown origin.

The action took place on December 27, in coordination with Market Management Team No. 1, during a thorough inspection of a warehouse in the Khuc Xuyen craft village industrial area, located in the Khuc Xuyen ward. The authorities discovered a substantial quantity of e-cigarette liquid burners, lacking necessary documentation such as invoices or proof of origin.

During the inspection, the warehouse representative, Mr. Ninh Van De, a 34-year-old from Luc Ngan district in Bac Giang province, failed to provide a valid business license or any proof of origin for the stored items. Mr. De confessed to importing raw materials, including essential oils and machinery, for processing and packaging into e-cigarette liquid burners, which were then distributed in the market.

As part of their ongoing investigation, the authorities have temporarily detained the near 400,000 finished burners, the over 300 bottles of various essential oils, and the related machinery. These items are being held for further verification and clarification, with appropriate legal action to follow as per the governing laws.

The incident highlights a growing concern over the use of certain types of essential oils and flavorings in e-cigarettes. Many of these substances are toxic and have yet to undergo comprehensive evaluation regarding their potential health risks. Furthermore, many e-cigarettes are designed with cartridges that contain hundreds of puffs but lack specific measurement of nicotine concentration per milliliter. This design flaw poses a risk of users inadvertently increasing their nicotine intake, potentially leading to acute nicotine poisoning.

### 2. Perspective from IP attorney

[Mr. Nguyen Vu Quan](#), Partner & IP Attorney from KENFOX IP & Law Office, an IP qualified firm in Vietnam stated that the seizure in Bac Ninh is a significant event that highlights the Vietnamese authorities' increased attention to public health, intellectual property enforcement, and the regulation of high-risk products like e-cigarettes. The proactive steps taken by the Vietnamese authorities in seizing of e-cigarette products – the products potentially hazardous to human health demonstrate a strong commitment to public health and consumer safety. This action highlights the government's awareness of the health risks associated with unregulated e-cigarette products, especially those of unknown origin or composition. Mr. Quan pointed out that this case exemplifies the Vietnamese government's escalating efforts in this realm. In terms of enforcement of IP Rights: The case underscores the Vietnamese government's increasing efforts to enforce intellectual property rights. By taking action against counterfeit and potentially infringing products, the authorities are signaling a more robust approach to IP protection, which is crucial for fostering a safe and fair market environment.

Mr. Quan added that the seizure serves as a deterrent to manufacturers and traders involved in the illegal production and distribution of e-cigarettes. It sends a clear message that such activities will not be tolerated and will be met with stringent enforcement actions.

### 3. What actions should IPR holder take to minimize risks of e-cigarette counterfeits in Vietnam?

Mr. Nguyen Vu Quan, Partner & IP Attorney from KENFOX IP & Law Office the case of the seizure of a large number of e-cigarette products in Bac Ninh, Vietnam, highlights several critical actions and considerations for intellectual property (IP) brand owners in the e-cigarette industry to protect their trademarks. Here are some recommended strategies:

**Trademark Registration in Vietnam:** Ensure that your trademarks are registered in Vietnam. [Trademark registration](#) is territorial, which means that a trademark registered in one country does not automatically grant protection in another. A trademark registration in Vietnam serves as an indispensable legal tool to enable trademark owners to call for intervention from Vietnamese enforcement authorities in fighting against IPR infringement.

**Monitoring and Enforcement in Vietnam:** Regularly monitor the Vietnamese market for any infringing products. This includes [online marketplaces](#), physical stores, and manufacturing hubs. When infringements

are discovered, brand owners should take swift legal action, which could include cease and desist letters, litigation, or working with local authorities for enforcement actions.

**Customs Recordation and Training in Vietnam:** Registering your trademarks with [Vietnamese customs](#) is a pivotal step. This registration empowers customs officials to detain shipments that may infringe on your trademark rights. They have the mandate to intervene in the import and export of counterfeit goods. Additionally, engaging in customs training is highly beneficial. Vietnamese customs authorities conduct 2 to 3 training sessions annually in both northern and southern regions of Vietnam. As an IPR holder, you have the opportunity to participate in these training sessions. Your involvement can significantly aid customs officers in distinguishing between counterfeit and genuine products. Contributing to this training not only equips officers with essential knowledge but also serves to heighten customs authorities' vigilance in intercepting counterfeit products. This proactive approach can greatly enhance the protection of your intellectual property rights at the border.

**Collaboration with Vietnamese Enforcement Authorities:** Develop a relationship with [Vietnamese law enforcement agencies](#), like the police and market management teams. Providing them with information about your products and trademarks can help them more effectively identify and act against counterfeit goods.

**Supply Chain Integrity during business in Vietnam:** Ensure the integrity of your supply chain. Implement security measures like [holograms](#), serial numbers, or other authentication methods to differentiate your genuine products from counterfeits.

**Public Awareness and Education in Vietnam:** Educate consumers and retailers about the dangers of counterfeit e-cigarette products and how to identify genuine products. This can be done through marketing campaigns, informative websites, and collaboration with health and consumer protection agencies.

**Legal Compliance in Vietnam:** Ensure compliance with all local regulations regarding the sale and distribution of e-cigarette products. Non-compliance can not only result in legal issues but also damage the brand's reputation. At the end of 2020, the Vietnam Standards and Quality Institute (TCCLVN), Ministry of Science and Technology issued Decision No. 3458/QD-BKHHCN on announcing 03 national standards for new generation cigarettes, including **(i)** TCVN 13154:2020, Heated tobacco products - Determination of nitrogen oxides content **(ii)** TCVN 13155:2020, Heated tobacco products - Determination of carbon monoxide content and **(iii)** TCVN 13156:2020, Products heated tobacco

**Rapid Response Mechanism in Vietnam:** Have a rapid response plan in place for dealing with instances of infringement in Vietnam. This includes legal, PR, and operational responses to ensure minimal impact on your brand.

## Final thoughts

The recent confiscation of a large quantity of e-cigarette components in Bac Ninh serves as a profound illustration of the multifaceted challenges that pervade Vietnam's e-cigarette market. Getting trademarks registered, getting involved in customs training, working hand-in-hand with Vietnamese enforcement authorities, and helping to educate the public are actions among many others that trademark owners should take to minimize risks of damaged by the counterfeiters as well as to contribute to the overall safety and integrity of the market.

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