

What To Do if Your Trademark has been Stolen in Vietnam?

The "first to file" principle has been abused by bad faith trademark applicants as a sophisticated tool for "trademark squatting" and "misappropriation of trademark rights" from legitimate owners in Vietnam. Trademark squatting or intellectual property (IP) theft from foreign businesses has become a troubling and dangerous trend in Vietnam. Increasingly, trademark owners are expressing frustration upon discovering that their trademark has been filed or even successfully registered by others in Vietnam. In many cases, after successfully registering a competitor's trademark, the trademark speculator has used that same trademark as a "weapon" to initiate legal actions and request Vietnamese enforcement authorities to seize goods bearing the trademark and penalize the genuine trademark owner.

What challenges do trademark owners face when they discover that their trademark has been illegally registered by a third party? What methods are available to reclaim trademark rights, and what legal grounds are necessary to regain trademarks in Vietnam? These questions will be answered in detail by KENFOX IP & Law Office in this article to help IP rights holders effectively protect their rights in Vietnam amidst the increasingly professional, sophisticated, and ever-changing issue of trademark squatting in the country.

1. Challenges: What Obstacles Are Genuine Trademark Owners Facing in Vietnam?

Legitimate brand owners in Vietnam often face the following significant challenges:

- **Unregistered IP rights:** Many legitimate trademark owners have not yet registered to establish their IP rights in Vietnam, despite having commercialized their products in the country. This creates an opportunity for third parties to take advantage of the "first to file" principle to [speculatively register and appropriate trademarks](#).
- **Lack of direct evidence:** The absence of "direct" evidence of the business relationship between the genuine trademark owner and the "bad faith" trademark applicant makes it difficult to prove claims. Although it is possible to provide indirect evidence that the applicant "knew" or "had reason to know" about the pre-existence of a genuine mark, this is not strong or convincing enough.
- **First to file principle:** The "first to file" principle, although not an absolute, unique and immutable principle, is prioritized in the mechanism for establishing trademark rights in Vietnam, rather than the "first to use" principle. This sometimes causes disadvantages to the true trademark owner who has not yet registered but has already used the trademark.
- **Proof of widespread use of the trademark:** Although [evidence of widespread use](#) of legitimate owner's trademarks in Vietnam [is available](#), IP VIETNAM's examiners are very [reserved \(reluctant\) about allowing an unregistered mark to prevail in opposition/invalidation proceedings](#), unless the case is exceptionally severe.

2. Strategic Approaches: What Should Be Done to Reclaim Trademark Rights in Vietnam?

Once a bad faith trademark has been identified, Vietnam's IP Law and accompanying regulations provide a range of tools that the rightful owners can use to oppose and/or request the cancellation of trademarks registered in bad faith. There are four typical approaches from a legal and practical perspective to combat trademark squatting in Vietnam:

[1] **Opposition:** Filing a [Notice of Opposition](#) within 5 months from the publication date of the trademark application, or, filing a written opinion through "Third Party's Observation" before IP VIETNAM's decision on grant/refusal of the trademark application if the 5-month period for opposition has passed, to request IP VIETNAM to refuse protection of the trademark filed with bad faith.

[2] **Invalidation:** Submitting an invalidation request to IP VIETNAM's Enforcement and Appeal Division (**EAD**). According to Article 96.4 of Vietnam IP Law, the time limit for filing an invalidation against a trademark registration on bad faith ground is during the protection term of the trademark.

[3] **Non-use cancellation:** Filing a request for non-use cancellation with IP VIETNAM if the squatting trademark has been registered for more than 5 years without being used. Article 95.1(d) of the IP Law allows

the cancellation of a trademark registration if the trademark has not been used continuously for a period of five years. This is commonly known as the “5-year non-use cancellation” rule.

[4] **Negotiation to purchase the trademark:** Conducting a negotiation to purchase the trademark from the prior registrant.

3. Legal Grounds: On What Legal Basis Can Be Relied?

After reviewing Vietnam's IP Law, revised in 2005, 2009, 2019, and 2022, we have outlined the legal framework for clearing squatting trademarks. This can be achieved by filing an opposition or an [invalidation/cancellation](#) action with IP VIETNAM. Below are typical instances where it is possible to remove a trademark that has been previously filed or registered.

- Bad faith (*Article 117.1(b) of Vietnam IP Law and Article 34.2, Circular No. 23/2023/TT-BKHCN*).
- Entitlement to register trademarks (*Article 87.2 and Article 117.1(b) of the IP Law*).
- Well-known trademarks (*Article 74.2 (k) and Article 75 of the IP Law*)
- Widely used trademarks (*Article 74.2 (g) of the IP Law*)
- Trade name (*Article 74.2 (k) of the IP Law*)
- Prior copyrights (*Article 74.2 (p) of the IP Law*). In detail, a sign which is identical or similar to names or images of characters or figures in works within the scope of others' copyright protection and widely known to the public before the filing date is deemed indistinctive and will be refused registration.
- Prior copyrights (*Article 73.7 of the IP Law*). In detail, a sign containing a copy of other's works is not eligible for trademark registration.

[1] Actions on the ground of “bad faith”

“[Bad faith](#)” is explicitly recognized as a legal basis, introduced for the first time in the amended IP Law of 2022, specifically in Article 117.1(b) and Article 96.1(a).

Accordingly, any organization or individual has the right to request IP VIETNAM to refuse the granting of Registration Certificates for patents, industrial designs, trademarks, and geographical indications through the “opposition” or “third-party observation” procedure. Such a request can be made if there are grounds to assert that the applicant applied for trademark in bad faith (*Article 117.1(b)*). Even if Registration Certificates have been granted for these industrial property objects, the genuine trademark owner still has the opportunity to challenge their validity through the “[invalidation](#)” procedure (Article 96.1(a)).

To prove “bad faith”, the genuine trademark owner needs to provide documents and evidence specified in Article 34.2 of Circular 23/2023/TT-BKHCN. Specifically, the following documents and information are required in the opposition or invalidation:

(a) Documents proving that at the time of filing the application, [the applicant knew or had reason to know](#) that the mark he or she registered was identical or confusingly similar to a mark that is widely used in Vietnam or well-known trademarks in other countries for identical or similar goods or services; and

(b) Evidence showing that the registration is intended to exploit the reputation and prestige of that mark for profit; or primarily for the purpose of reselling, licensing or transferring registration rights to the owners of the trademarks mentioned in Point a of this Clause; or aims to prevent the market entry of the owners of the trademarks mentioned in Point a of this Clause to restrict competition; or other acts contrary to fair trade practices.

Therefore, only when both conditions (*awareness or knowledge and motive of the trademark applicant*) are met as per Article 34.2 of Circular 23/2023/TT-BKHCN is there enough basis to conclude that the applicant registered the trademark with “bad faith”.

[2] Actions on the ground of “entitlement to register trademarks”

Article 87.2 of the IP Law provides that “Organizations and individuals (such as distributors, retailers, or other commercial entities) may register marks for products they are marketing but produced by others, provided that the producers neither use such marks for their products nor object to such registration”. For legitimate owners, Article 87.2 offers a concrete legal basis to prevent adverse parties from abusing [the right to register trademarks](#) for products not produced by them, while also enabling genuine owners to oppose or invalidate the trademark if their rights are infringed .

Normally, to succeed in an opposition or invalidation against a third-party trademark based on “Entitlement to register trademarks” ground under Article 87.2, practice indicates that legitimate trademark owners must gather robust evidence to support their claim. This evidence should meet the following three requirements:

- (i) Documentâý proofs showing that the third party registering the trademark is distributing or marketing products manufactured by the genuine trademark owner.
- (ii) Evidence of the manufacturer’s prior use of the trademark on products in Vietnam (e.g., sales invoices, contracts, advertisements, marketing materials, product certifications, etc.).
- (iii) Documents demonstrating the manufacturer’s opposition/written opinion to the third party’s trademark registration.
- (iv) Evidence of the relationship between the applicant and the manufacturer.

[3] Actions on the ground of “well-known marks”

For the owner of a well-known trademark, Article 74.2(i) of the IP Law establishes clear grounds for opposing the published trademark application or invalidating existing trademark registration that infringe upon their rights. This article provides a legal basis to argue that a new or existing registration either undermines the distinctiveness of their mark or [exploits its reputation](#). Famous trademarks enjoy special protection compared to ordinary trademarks, enabling their owners to oppose or cancel/invalidate the third party’s trademark even if it is registered and used for different goods/services. This provision prevents dishonest practices where third parties attempt to register trademarks to unjustly benefit from the reputation of the famous trademarks.

To win an opposition or invalidation action against a third party’s trademark on the grounds of 'well-known trademarks', it is necessary to provide evidence in accordance with Article 75 of the IP law. Notably, as per the regulations in Article 75, the trademark is not necessarily required to meet "all" the considered criteria to be recognized as well-known. Meeting "some" specific criteria may suffice to determine a trademark as well-known. This allows for a flexible and case-specific evaluation process. IP VIETNAM has the discretion to determine whether a mark qualifies as well-known based on “some” or 'all' criteria clearly set out in Article 75.

[3] Actions on the ground of “widely used trademarks”

An unregistered trademark can still serve as a basis to oppose or cancel/invalidate another’s trademark if it has been “widely used” and “recognized” in Vietnam (*Article 74.2(g)*).

This provision allows the genuine owner of a widely-used trademarks (but not yet registered) can intervene early in the registration process of a potentially infringing trademark, preventing it from acquiring legal protection and entering the market. To this end, the owner must prove that their mark has been widely used and recognized for the similar goods or services, achieving significant awareness and recognition in the relevant community through extensive use.

[4] Actions on the ground of “trade name”

Arguments based on “[Trade name](#)” rights can be effective in opposing/cancelling a third party’s trademarks in cases where a legitimate trademark owner has not established trademark rights in Vietnam.

In Vietnam, the regime for establishing the right to a trade name is established through the legal use thereof in commerce, rather than through registration procedures like a trademark. Industrial property rights conferred to a trade name are established based on the trade name’s lawful use. **Article 74.2 (k)** of the IP Law states that a trademark will be refused protection if it is “*identical or similar to another’s trade name in use*” Thus, if a legitimate trademark owner’s trademark is derived/formed from his or her trade name and the trademark owner’s right to the trademark has not been established, he may oppose or invalidate a third party’s trademark registration based on his trade name rights. A prerequisite for proving the right to an established trade name in Vietnam is that the trade name has been used in actual commerce in the country.

[5] Actions on the ground of “prior copyrights”

In certain circumstances, copyrights can be a lifeline for trademark owners seeking to reclaim their trademark rights. In fact, a trademark can simultaneously satisfy the requirements for registration as: (i) a trademark, (ii) an industrial design, and/or (iii) a copyright.

Article 73.7 allows copyright owners to protect their intellectual property rights and prevent others from registering trademarks that infringe upon their copyrighted works. It provides that signs (e.g., *applied-for*

trademarks) containing copies (reproductions) of copyrighted works are ineligible for trademark registration unless permitted by the owners of such works.

Copyright often precedes trademark rights and carries the nature of creativity. [The trademark opposition case of Musidor B.V.](#) exemplified this. Specifically, **the preexistence of copyright was the prominent basis** that helped the company defeat the infringing party, with additional evidence demonstrating that the trademark simultaneously served as **Musidor B.V.'s "Lips and Tongue" artwork, widely known, functioning as a strong reference basis** to reinforce the copyright claim.

In addition, under **74.2(p)**, if a pending trademark involves signs which are either identical or bear a confusing similarity to the names or images of characters or figures from copyrighted works, provided that these marks (*names, images, figures*) are well-known to the public before the trademark application's filing date, this similarity can be the basis for opposing or invalidating a trademark registration in Vietnam.

Contact KENFOX IP & Law Office for in-depth consultation on intellectual property protection strategies, especially in cases where your trademark is unlawfully registered by third parties. With extensive practical experience and successful resolution of numerous trademark disputes, both administratively and [in court litigation](#), KENFOX is ready to accompany you to effectively protect your rights.

QUAN, Nguyen Vu | Partner, IP Attorney
HONG, Hoang Thi Tuyet | Senior Trademark Attorney
NIEM, Hoang Thi | Associate

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 / kenfox@kenfoxlaw.com