# Beyond First-to-File: How Copyright Won a Trademark Battle 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 a typical copyright-trademark conflict case 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.

## Who Owns the Tongue? A Trademark-Copyright Battle in Vietnam

Recently, IP VIETNAM accepted and resolved a <u>copyright and trademark dispute</u> 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)	HOSTEL

#### **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 "**Note:**" 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*".

### **Lessons learned**

- 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 preserves 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.
- 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.
- <u>Conflicts between trademarks and copyrights</u> 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 many countries, 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.
- Under Vietnam's IP Law amended in 2022, "prior copyright" can be used as a ground to challenge a trademark application or registration via opposition or invalidation proceedings. In detail, Article 73.7 of the Vietnam IP Law provides that signs (*e.g., applied-for trademarks*) containing copies of works are <u>ineligible</u> for trademark protection unless permitted by the owners of such works. This means that the owner of copyrighted works, which can include logos, artistic designs, or other creative expressions, has the right to <u>oppose</u> or <u>invalidate</u> the registration of trademarks that directly copy or incorporate their copyrighted works without seeking the permission of the original creators. Essentially, Article 73.7 allows copyright owners to protect their intellectual property rights and prevent others from registering trademarks that infringe upon their copyrighted works.

In light of <u>Article 73.7</u>, an <u>opposition</u> or <u>invalidation</u> action may be initiated before IP VIETNAM based on "prior copyright" if adequate documentation and evidence are provided. This evidence must demonstrate that their copyright-protected work <u>was established before the filing date of the conflicting</u> <u>trademark</u>, and that this later trademark <u>closely resembles</u> the earlier copyright. Such an opposition can be filed with IP VIETNAM.

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 <u>copyright infringement</u>. 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.

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.

- A Copyright Registration Certificate can be used as the legal basis for requesting an assessment of infringement from the <u>Expertise Center of Copyright and Related Right</u> (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 "<u>Copyright - An Effective Weapon in Preventing Infringement of Trademarks and Industrial</u> <u>Designs in Vietnam</u>" for more insights.

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 / kenfox@kenfoxlaw.com