# Specialized IP Court: A "Revolution" in Resolving IP Disputes in Vietnam

The significant increase in the number and complexity of intellectual property (**IP**) disputes in Vietnam, coupled with the limitations of current administrative and criminal measures, has necessitated the establishment of a specialized judiciary in Vietnam. The IP Court, expected to be established in the near future, will assume this crucial role, with jurisdiction over IP-related cases as stipulated in the Civil Procedure Code. The advent of the IP Court promises to revolutionize the way IP disputes are resolved, providing a more efficient, specialized, and predictable legal process for both domestic and foreign IP rights holders.

## **Current IP landscape in Vietnam: Challenges and Commitments**

Vietnam has established a legal framework for the protection of IP rights through various laws and regulations, including the Law on Intellectual Property, the Civil Code, and Decrees and Circulars guiding the implementation of the IP Law, contributing to a comprehensive and detailed legal system in Vietnam. In addition, Vietnam has acceded to international treaties such as the Berne Convention, the Paris Convention, and the TRIPS Agreement, demonstrating its commitment to global IPR standards.

However, despite a relatively comprehensive IPR legal framework, IPR holders still face a concerning reality: lengthy litigation procedures (<u>see article</u>), inconsistent court rulings (<u>see article</u>), and a lack of expertise among enforcement agencies, resulting in ineffective handling of IPR infringements. The reality of handling IPR disputes and infringements shows that:

- Administrative measures, although common, do not effectively address IPR infringements due to their low deterrent effect, overlapping jurisdictions, and limitations in enforcement capacity.
- <u>Criminal measures</u> are difficult to apply because most infringements do not meet the elements constituting a crime.
- **Civil measures**, although the most appropriate means of protecting IPR, have not been effective due to complex procedures, difficulties in determining damages, and IPR holders' reluctance to go to court, leading them to often opt for administrative remedies.
- The role of the Court remains insignificant: The number of IPR cases resolved in Court is still very small compared to administrative enforcement agencies.
- Multiple Trials, Multiple Levels: Nearly 80% of IPR-related cases require appellate or even cassation
  trials due to the limited expertise of court officials in IPR matters. The court often needs to consult
  specialized agencies, causing difficulties and additional costs for the parties involved.
- The application of provisional urgent measures (injunctive relief) remains ineffective: Legal
  provisions are limited and lack specificity, causing difficulties for rights holders in seeking protection of
  their rights.

To address existing limitations, Vietnam has proactively engaged in deeper international integration, as evidenced by its participation in significant trade agreements such as the CPTPP and EVFTA. These agreements require Vietnam to implement stricter IPR enforcement measures, enhance transparency, and provide more effective remedies for IPR holders. While these commitments represent a positive step forward, their full implementation and actual impact remain to be seen and require ongoing monitoring.

# The proposed specialized ip court: a new era for ipr enforcement in Vietnam

The proposed Specialized IP Court represents a significant departure from the existing judicial system in Vietnam. Its key features are designed to address the shortcomings of the current IPR enforcement mechanisms and provide a more robust framework for protecting intellectual property rights.

# Key features:

- Jurisdiction: The Specialized IP Court will have exclusive jurisdiction over first-instance <u>IP cases</u>. This means all civil and administrative cases related to patents, trademarks, copyrights, industrial designs, and other IP rights will be heard in this dedicated forum. This focused jurisdiction will enable the court to develop specialized expertise and streamline case handling.
- Specialized judges: The court will be staffed by judges with specialized knowledge and experience in IP law. This expertise is crucial for understanding the nuances of complex IP disputes and making informed decisions based on relevant legal principles and technical considerations. The presence of specialized judges will ensure that IP cases are handled with the utmost competence and understanding.

www.kenfoxlaw.com Page 1/ 2

Streamlined procedures: The court is expected to implement streamlined procedures to expedite the resolution of IP disputes. This may involve shorter deadlines for filing documents, faster scheduling of hearings, and more efficient case management practices. These procedural improvements will not only reduce the time and cost associated with IP litigation but also provide IPR holders with a more timely and effective means of enforcing their rights.

#### **Benefits for IPR holders**

The establishment of the Specialized IP Court promises significant benefits for IPR holders, both domestic and foreign.

By focusing exclusively on IP cases and implementing streamlined procedures, the court aims to expedite dispute resolution, deter infringement, and <a href="mailto:empower rights holders">empower rights holders</a> to enforce their rights effectively. With specialized judges at the helm and a commitment to developing consistent case law, the court will foster predictability and legal certainty. This clarity will empower businesses to make informed decisions based on a deeper understanding of the IP legal landscape in Vietnam.

# Vietnam to pilot specialized ip courts in key cities

While the long-term objective is the establishment of a nationwide Specialized IP Court, a strategic phased implementation approach is being carefully considered. During recent National Assembly deliberations, several delegates proposed initiating pilot programs for specialized IP courts in key economic hubs such as Hanoi, Da Nang, and Ho Chi Minh City. These pilot programs would provide invaluable real-world data and insights, facilitating a thorough assessment of the court's operational feasibility and effectiveness prior to a full national implementation.

This measured approach reflects a prudent strategy for navigating the complexities inherent in establishing a specialized court system. By initially focusing on pilot programs in major economic centers, Vietnam can effectively gather empirical evidence, refine procedural mechanisms, and optimize the court's overall functionality before expanding its jurisdiction nationwide. This approach prioritizes ensuring the long-term success and sustainability of the specialized IP court system, ultimately enhancing the protection of intellectual property rights throughout Vietnam.

### **Final thoughts**

The Specialized IP Court is more than just a judicial reform; it is a strategic investment in Vietnam's future. By providing a fair, efficient, and specialized forum for resolving IP disputes, the court will empower innovators, safeguard investments, and stimulate economic activity. This, in turn, will contribute to Vietnam's continued rise as a regional and global economic powerhouse. It is clear that the transition from <u>administrative handling</u> to judicial resolution of IP disputes is crucial to ensure a more equitable and effective protection of intellectual property rights.

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www.kenfoxlaw.com Page 2/ 2