# Easy to Register – Hard to Keep: Emerging Challenges in Trademark Protection in Laos

In Laos, securing a trademark registration is streamlined by a first-to-file system. However, the true challenge for trademark owners lies in understanding and adhering to the post-registration "use" requirements.

KENFOX IP & Law Office, with its consistent recognition for expertise in Lao trademark and patent law, has a proven track record of assisting international and domestic clients in both securing and enforcing their IP rights. We would like to offer a detailed overview of trademark use requirements in Laos, exploring key post-registration obligations, the implications of non-use, and <u>practical strategies for safeguarding your valuable brand assets</u> in the Lao market.

### 1. Use at the Time of Filing

What are the requirements regarding actual use when applying for and renewing a trademark in Laos, and what principles govern the trademark registration process?

In Laos, actual use of a trademark is not required either at the time of application or for renewal. The Lao trademark system operates on a **first-to-file** principle, meaning that priority is granted to the earliest applicant who completes the formalities. Typical filing requirements include submitting a representation of the mark, applicant details, and a list of goods/services. There is **no need to provide evidence or a declaration of use** during the application stage, and a trademark can be registered **without proof of use in the marketplace**. Similarly, Laos does not mandate use as a condition for renewing a registration every 10 years.

### 2. Post-Registration Use Obligations

What are the post-registration use obligations for a trademark in Laos, including the non-use grace period, the relevant legal provisions, and the definition of "bona fide" use, especially concerning what constitutes insufficient use?

After a trademark is registered in Laos, the owner is legally obligated to **use the mark in commerce** to maintain the registration. There is a **five-year grace period** starting from the registration date (or potentially the publication date), during which non-use does not endanger the registration. However, if the mark is not used for **five consecutive years**, it becomes **vulnerable to cancellation** upon request by a third party. This obligation is governed by <u>the Law on Intellectual Property of Laos</u>, which allows cancellation for non-use or if use is not **bona fide**. "Bona fide" use refers to **genuine**, **good-faith commercial use** of the mark in Laos. **Token use**, such as minimal or sham transactions carried out solely to preserve the registration, **does not qualify** and may lead to cancellation even if technically some use occurred.

### 3. Non-Use Cancellation Provisions

How does the trademark non-use cancellation system operate in Laos, including the legal basis, initiation procedure, response requirements, consequences of cancellation, and acceptable justifications for non-use?

- Legal basis: The relevant provision in the Lao IP Law is Article 65 (previously Article 64 in the older law) on Non-Use of Trademarks. It provides that any person may request cancellation of a trademark registration if the mark meets the non-use criteria mentioned above. If a mark has not been used for 5 consecutive years, or has only been used in a token or bad-faith manner, the registration is subject to cancellation upon request. The law also entitles the owner to defend their registration by explaining or justifying the non-use. For example, if non-use was due to valid obstacles beyond the owner's control (force majeure) such as import restrictions, government regulations, natural disasters, or other compelling circumstances those reasons "shall be recognized as valid reasons for non-use" and can excuse the lack of use. This is consistent with international practice (e.g. allowing exceptions when circumstances prevent use despite the owner's intent). The DIP or the courts would consider such justifications in deciding a non-use cancellation action.
- <u>Procedure</u>: Notably, Laos does *not* automatically cancel trademarks for non-use there is no periodic use affidavit or government-initiated purge for unused marks. **Cancellation for non-use occurs only**

**if a third party initiates a cancellation action.** The Ministry of Industry and Commerce's DIP does not on its own monitor usage due to lack of a dedicated system. In practice, a **third party (such as a competitor or interested party)** must file a petition with the DIP requesting cancellation of the mark on non-use grounds. The petition should state the grounds (e.g. that the mark has not been used for five years) and preferably include any available **evidence of non-use** (for instance, an investigation showing no products on the market).

- Under the current regulations, if such a petition is filed, the DIP will notify the trademark owner of the cancellation request, and the owner is given an opportunity to respond. Specifically, the owner has 60 days to file a response and evidence of use or reasons for non-use. If the owner fails to respond within the deadline, the DIP may proceed to cancel the registration by default. If the owner does respond, the DIP will consider the arguments and evidence from both sides before making a decision. The law empowers the DIP to cancel or revoke the registration if non-use is proven and not adequately justified.
- Effect of Cancellation: If a registration is cancelled for non-use, the <u>trademark protection in Laos</u> is lost. The mark becomes vulnerable to third-party adoption or registration by others. Therefore, maintaining use is critical for trademark owners who wish to keep long-term rights in Laos.

### 4. Practical Considerations and Enforcement Trends

What practical strategies should trademark owners adopt to preserve trademark rights in Laos, including what qualifies as genuine use, how to document it, the role of advertising, how to respond to non-use cancellation actions, and why minimal or token use is insufficient?

To preserve trademark rights in Laos, owners should adopt a **proactive and strategic approach to genuine use**. This means putting the mark into **real commercial use** in the Lao market within the first five years of registration. **Sufficient use** includes selling products or offering services under the mark through local channels, supported by sustained business efforts. In contrast, **token or nominal use**, such as isolated transactions or last-minute advertising done solely to avoid cancellation, is not acceptable and may be rejected as bad-faith use.

Trademark owners should retain solid evidence of use, including invoices, sales contracts, shipping documents, distributor agreements, and packaging samples. Advertising and marketing, particularly in Lao media or language, can reinforce genuine use, especially when combined with actual commercial activity.

Historically, **non-use cancellation proceedings were rare** in Laos, but they are expected to increase as awareness grows and the five-year use threshold begins to affect registrations published since 2019. If a trademark owner **receives a cancellation notice from the DIP**, they must respond **within 60 days** with evidence of use or valid justifications (e.g., force majeure or regulatory delays). Failure to respond can lead to **automatic cancellation**.

Relying on token acts of use is risky, as Lao authorities assess not just whether the mark was used, but whether the use was made in good faith and reflective of a true market presence. To avoid such risks, owners should maintain ongoing, documented, and commercially meaningful use of their trademarks in Laos.

# **Final Thoughts**

Although the trademark registration process in Laos is procedurally simple due to its first-to-file system, the real test for rights holders begins after registration. The Lao legal framework clearly emphasizes the importance of **genuine**, **good-faith use** in maintaining trademark rights. A failure to use the mark, whether by inaction or through token gestures, can expose the registration to cancellation, putting years of brand investment at risk.

As non-use cancellation actions become more prevalent in Laos, particularly from 2024 onward, trademark owners must adapt their IP strategies accordingly. This means not only entering the Lao market in a meaningful way but also keeping **clear and credible documentation** of commercial activities under the mark. Responding

promptly and effectively to cancellation threats, supported by real market presence or valid justifications for non-use, is critical to preserving rights.

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