

## Trademark Assignment in Vietnam: Why It's Refused and How to Overcome It?

[Trademark assignment in Vietnam](#) is subject to strict statutory requirements and substantive examination by the Intellectual Property Office of Vietnam ("IPVN"). In practice, assignments are frequently refused on grounds of potential confusion or non-compliance with mandatory provisions. Challenges become more acute if the assignor owns trademarks that are closely similar to one another or, in more serious circumstances, where the assignor's trade name itself is also the trademark name.

KENFOX IP & Law Office, with over 15 years of practical experience and expertise in IP protection in Vietnam, provides in-depth analysis of the risks associated with trademark assignment, along with strategic solutions to prevent refusal and overcome challenges when refusal is issued.

### 1. Assigned Trademark Confusingly Similar or Identical to the Assignor's Trade Name

Where the assigned trademark is "identical" or "confusingly similar" to the trade name of the assignor, the IPVN is likely to refuse the recordal of assignment under Article 139.4 of the IP Law, on the grounds of potential confusion as to the commercial origin or characteristics of the goods/services.

A trade name is considered an object of industrial property rights. A company name or business name may be protected as a trade name if it is used in lawful commercial activities within Vietnam. To prevent consumer confusion, a trademark may be refused protection if it is identical or confusingly similar to a protected trade name.

Based on this principle, where a trademark contains elements identical or similar to the assignor's trade name, the assignment may be deemed misleading to the public regarding the nature or commercial origin of the goods or services. Such cases fall under the prohibitions set forth in the Intellectual Property Law.

If you enter into a trademark assignment agreement with [a trademark owner](#) whose mark forms part of their trade name or company name, we strongly advise caution. Article 139.4 of the Intellectual Property Law stipulates that *"the assignment of trademark rights must not cause confusion as to the characteristics or origin of the goods or services"*.

**Example:** In the case involving the trademark "MARCO POLO", if it were assigned to **Wharf Hotels Management Limited** to provide services similar to those of **Marco Polo Hotels Management Limited** - while the latter continues to operate under its trade name in Vietnam - the public may mistakenly believe that services under the "MARCO POLO" trademark originate from Marco Polo Hotels Management Limited. This confusion arises from the concurrent presence of both the trademark and the trade name in the marketplace. Accordingly, the refusal by the IPVN to record the assignment of the "MARCO POLO" trademark to Wharf Hotels Management Limited is legally justified.

**Recommended Measures:** To appeal a refusal based on similarity between the assigned trademark and the assignor's trade name, you may submit one of the following documents or evidence:

- **Transfer of Entire Business Operations** Evidence that the assignor has transferred the entire business and commercial activities conducted under the trade name to the assignee. If the trademark contains elements identical or similar to the assignor's trade name, the assignor must transfer all business operations under that trade name to the assignee.
- **Amendment of Business Registration** Evidence that the assignor has removed business lines related to the goods/services bearing the trademark, and such removal is reflected in the Enterprise Registration Certificate. This ensures that the assignor no longer operates in sectors associated with the assigned trademark.
- **Dissolution of the Assignor** Evidence that the assignor has been dissolved and no longer exists following the execution of the trademark assignment agreement.
- **Change of Trade Name** Evidence that the assignor has changed its trade name after the assignment, such that it no longer contains elements identical or similar to the assigned trademark. This change must be officially recorded in the [Enterprise Registration Certificate](#).

These documents aim to demonstrate that no conflict exists - or that any prior conflict has been resolved - between the trade name and the assigned trademark.

Alternatively, you may provide evidence that the assignor has never conducted business activities in Vietnam under the trade name, or has ceased such activities following the assignment. In this case, the assignor no longer uses the trade name in commercial operations in Vietnam, and therefore, confusion under Article 139.4 of the IP Law is unlikely to arise.

A formal Declaration from the assignor confirming these facts can serve as persuasive evidence to support your position and convince the IP Office to record the trademark assignment. This would establish that the assignor's rights to [the trade name](#) have not been established or have ceased to exist, thereby eliminating any conflict and ensuring that the assigned trademark does not mislead the public regarding the nature or origin of the goods or services.

## 2. Assigned Trademark Confusingly Similar to the Assignee's other Marks

Where the assigned trademark is deemed confusingly similar to another trademark that is either pending registration or already protected under a [Certificate of Trademark Registration](#) and remains under the ownership of the assignor, the assignment may be refused by the IPVN.

If you acquire a trademark from an assignor without thoroughly reviewing the assignor's full portfolio of trademarks - specifically those that are pending or registered in Vietnam - your trademark assignment agreement may be rejected on the grounds that the assigned mark is confusingly similar to another mark still owned by the assignor.

Example: Company A acquires the trademark "ZACOPE" from Company B. The IP Office issues a notice refusing to record the assignment, citing that the transfer may cause confusion regarding the nature or origin of the goods/services. This is because, in addition to "ZACOPE", Company B remains the registered owner of similar trademarks such as "ZACOP" and "JACOPE."

**Recommended Measures:** To address this issue, you must either:

- **Submit an application to assign all similar trademarks** owned by the assignor to you; or
- **Request termination of the remaining Certificates of Trademark Registration** for the similar marks still held by the assignor.

Attempting to negotiate the assignment of all similar trademarks after the initial agreement has been executed - and after the IPVN has refused your assignment request - places you in a reactive and disadvantaged position. The assignor may impose additional financial obligations in exchange for compliance.

**Optimal Strategy:** Prior to executing any trademark assignment agreement, you should:

- Conduct a comprehensive review of the assignor's trademark portfolio; and
- Negotiate for the assignment of all trademarks that are identical or confusingly similar to the mark you intend to acquire.

This proactive approach minimizes the risk of refusal by the IP Office and ensures that the assigned trademark does not conflict with other marks still under the assignor's ownership.

## 3. Assigned Trademark Contains Elements That May Mislead Consumers Regarding Origin, Features, Use, Quality, or Value

The IPVN may refuse to record a trademark assignment if the assigned mark contains elements - such as a [geographical name](#) - that could mislead consumers about the origin, characteristics, intended use, quality, or value of the goods or services being transferred.

Example: The "**MASSANO Milan**" trademark may be refused for assignment if the assignee is located in **Venice** rather than **Milan**. The inclusion of a geographical indication in [the trademark](#), without a corresponding business presence in that location, may be deemed misleading.

**Recommended Measures:** To overcome such objections, and where appropriate to your business context, you may submit supporting documentation to demonstrate that:

- The assignor and assignee are affiliated entities (e.g., subsidiaries of the same corporate group, or one is a subsidiary of the other); and
- The parties' production and business strategies, as well as their use of the trademark, are structured in a way that does not mislead the public regarding the origin of the goods or services.

If such documentation cannot be provided, you may consider filing a request to amend the trademark registration by removing [the geographical element](#) from the trademark specimen. This can be done through a formal application to modify the Certificate of Trademark Registration.

#### 4. Partial Assignment of Trademark Rights and Risk of Confusion Regarding Commercial Origin

Where the scope of assignment involves only a portion of the goods/services listed under a registered trademark, there is a risk that the transferred goods/services may be confused with those remaining under the ownership of the assignor. This concern arises particularly in cases where the assigned goods/services are not clearly distinguishable from the retained ones.

Under Vietnamese law, partial trademark assignments are permissible. This means that a trademark owner may request to assign rights to specific goods/services within a single class, or to one or more classes listed in the Certificate of Trademark Registration.

However, in cases where only part of the goods/services under the trademark are assigned, the assigned goods/services must be clearly independent and must not cause confusion with the remaining goods/services still covered by the trademark and retained by the assignor.

Example: Company A owns the trademark “ZACOPE” for a range of goods and services including “unprocessed and processed food products, alcoholic and non-alcoholic beverages, restaurant services, and café services” in Classes 29, 30, 31, 32, 33, and 43. Company B seeks to acquire the trademark “ZACOPE” solely for use in connection with “alcoholic beverages” under Class 33. This constitutes a partial assignment request, whereby the assignor and assignee intend to transfer rights to only one class of goods/services under the trademark registration.

However, the IPVN rejected such a request because the assignment was deemed to likely cause confusion regarding the commercial origin of the goods, particularly where the assigned and retained goods/services are closely related or overlapping.

Note: Partial assignment is only applicable to the transfer of a portion of the goods/services listed under the trademark registration. It does not apply to the assignment of only a portion of [the trademark image](#).

#### 5. Assignee Lacks Legal Capacity to Produce or Trade in Goods/Services Bearing the Assigned Trademark

Pursuant to Article 139.5 of Vietnam's IP Law, “*Trademark rights may only be assigned to organizations or individuals who meet the conditions applicable to persons entitled to register such trademarks*”. Under Article 87.1 of the same Law, “*Organizations and individuals shall have the right to register trademarks for goods they produce or services they provide*”.

In practice, during the examination of trademark assignment applications, the IPVN does not routinely assess whether the assignee possesses the legal capacity to produce or trade in the goods/services associated with the assigned trademark. However, in cases where there is sufficient basis to determine that the assignee lacks such capacity, the IPVN may issue an examination result notice requesting the assignee to submit documentation evidencing their legal capacity to produce or conduct business in the relevant goods/services.

#### 6. Assignment Price in Trademark Assignment Agreement

The assignment price is one of the four mandatory elements required in a trademark assignment agreement under Vietnamese law. Your trademark assignment agreement may be rejected in the following circumstances:

- **Unclear assignment price:** The agreement must specify a definite price for the assigned intellectual property rights. If the price is stated in dollars, the currency must be clearly identified (e.g., SGD, USD, NZD, etc.). In cases where the assignor transfers ownership of [the intellectual property rights](#) to the assignee without charge, the agreement must explicitly state “No consideration” or “Free of charge.”
- **Inconsistency between declared free-of-charge assignment and payment obligations:** If the agreement indicates that the assignment is free of charge but still includes provisions regarding payment obligations or financial responsibilities, such inconsistency may render the agreement invalid or subject to rejection.

## 7. Assignment of Trademark While Subject to Existing Licensing Agreements

Your request for trademark assignment may be refused by the IPVN if the trademark in question is currently licensed to other organizations or individuals under one or more registered licensing agreements for intellectual property rights.

**Remedial Measures:** To address this issue, you must submit documentation demonstrating that:

- The licensees (i.e., parties currently authorized to use the trademark) have been formally notified in writing by the assignor regarding the intended trademark assignment; and
- The licensees have provided written consent or comments acknowledging the assignment.

These documents are necessary to ensure that the assignment does not conflict with existing licensing arrangements and that all relevant parties are duly informed and in agreement.

## 8. Non-Compliance with Formal Requirements for Trademark Assignment Agreement

The trademark assignment agreement must comply with formal requirements under applicable regulations. Specifically:

- If the agreement consists of multiple pages, each page must bear the signatures of both the assignor and the assignee, or be affixed with a seal across the page margins to ensure continuity and authenticity.
- The agreement must clearly state the date of execution (day, month, year), and include the signatures (and seals, if applicable) of both parties.
- The signatories must be the legal representatives of the respective parties.

In cases where the agreement is signed by an individual who is not [the legal representative](#), a valid power of attorney issued by the legal representative must be provided to authorize the signatory.

If the assignor is a business establishment or household business entity, the assignee must request written consent from all members of the establishment or household business authorizing the designated representative to execute the assignment agreement. Where the business entity consists of a sole member, documentation evidencing such sole proprietorship must be submitted.

## Conclusion

Trademark assignments in Vietnam are not purely procedural; they are subject to substantive review to prevent confusion and protect consumer interests. Early identification of potential conflicts, careful structuring of the assignment, and strict compliance with statutory requirements are critical to success. By implementing the recommendations above, it is possible to significantly reduce the risk of refusal and ensure [enforceable](#) rights for the assignee.

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