Shutting Down Lookalike Packaging Through Unfair Competition Law - PROSPAN vs. PROSTIBAME

1. Case brief

KENFOX IP & Law Office acted for Engelhard Arzneimittel GmbH & Co. KG. (Germany), owner of the

"PROSPAN" cough remedy brand (PROSPAN"), and its exclusive Vietnamese distributor, SOHACO, after a Vietnamese company (VINH AN THANG LONG Investment JSC) began marketing a PROSTIBAME cough "dietary supplement" in packaging deliberately modeled on PROSPAN's presentation. The infringer

avoided direct trademark conflict by using a different word mark ("PROSTIBAME") (PROSPAN's outer packaging had not been separately registered as a "trademark" or an "industrial design" in Vietnam - making a traditional infringement claim difficult. KENFOX responded by treating the dispute as an "unfair competition" case under Vietnamese law. We sent our in-house investigators into the market to confirm that the imitation products were being sold at scale. We then filed a petition with the Vietnam Competition Authority (VCA) on behalf of Engelhard and SOHACO. The VCA consulted the Intellectual Property Office of Vietnam, which issued an "Expert Opinion" stating that VINH AN THANG LONG's copied labeling amounted to unfair competition.

After being summoned by the VCA, the infringer's Director admitted the violation, apologized, disclosed that more than 10,000 infringing units had been produced, and agreed to stop using the copied packaging and presentation. Our follow-up market inspections confirmed that the PROSTIBAME products using the PROSPAN-style packaging disappeared from the market.

This case shows KENFOX's ability to stop "lookalike" products and protect our clients' market reputation in Vietnam even when (i) there is no obvious similarity between the trademarks themselves and (ii) there is no registered packaging right. We achieved this by collecting strong evidence, bringing the matter before the authorities, and using unfair competition enforcement to force the infringer to change its behavior and to protect our client's commercial position.

Client: Engelhard Arzneimittel GmbH & Co. KG. (Germany) is the owner of the "**PROSPAN**" brand for cough medicine and respiratory relief products in Class 05, protected in Vietnam via International Registration No. 17342. In Vietnam, SOHACO Trading and Pharmaceutical Group JSC ("**SOHACO**") - one of the country's top ten pharmaceutical groups - acts as the exclusive distributor of PROSPAN.

Infringer: Công ty Cổ phần Đầu tư Vinh An Thăng Long ("**VINH AN THANG LONG**" Investment JSC), a Vietnamese company, marketed a cough "dietary supplement" under the mark "**PROSTIBAME**".

Issue: VINH AN THANG LONG launched PROSTIBAME products in packaging that closely imitated PROSPAN's overall commercial image - its presentation, colors, and get-up - creating a significant risk of consumer confusion as to source, quality, and affiliation. Crucially, the imitator avoided using the exact word "PROSPAN", complicating a straightforward trademark similarity claim.



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Result: The Vietnam Competition Authority (VCA) summoned VINH AN THANG LONG. The company admitted wrongdoing, acknowledged that its conduct constituted unfair competition, issued an apology, and revealed that it had produced more than 10,000 infringing units. It also committed to cease using the infringing packaging. A subsequent market investigation confirmed no further sales of PROSTIBAME products bearing the copied get-up (packaging).

Why this matters to a client: We achieved a full stop to the infringing commercial activity without relying on the usual trademark argument of "confusing similarity," because that option was not available in this case. Instead, we used Vietnam's unfair competition laws and involved the regulatory authorities to force the conduct to stop. This is an important message for clients and potential partners: Even when the other side is not using an identical or similar word mark, it is still possible to take effective enforcement action and protect market position.

2. Why the Case Was Legally Difficult?

Challenge 1: No easy trademark basis: The infringer used the mark "PROSTIBAME", which is neither phonetically nor visually similar to "PROSPAN". This created an immediate legal obstacle - we could not simply claim that they were using our client's trademark or a confusingly similar variant. Under Vietnam's standard trademark infringement test, such an argument would be weak and unlikely to succeed.

Challenge 2: Packaging and trade dress not registered: Another major hurdle was that PROSPAN's outer labels and overall get-up (packaging) - including its color scheme, layout, and graphical presentation - had never been registered in Vietnam as either a "trademark" or an "industrial design". Consequently, we could not rely on a registered packaging right to assert that the infringer had copied a protected design, which is the usual route pharmaceutical and over-the-counter (OTC) brands take to protect their bottles and boxes.

In other words, the two marks were entirely different, and the packaging was not protected as a separate registrable right. Traditional legal mechanisms - trademark infringement or industrial design infringement - were therefore unavailable.

This type of situation is precisely what sophisticated counterfeiters exploit. They avoid copying the name directly; instead, they imitate the overall look, market positioning, and consumer trust associated with the genuine product. Had we pursued the case strictly through a narrow "trademark similarity" argument, we would almost certainly have failed.

3. KENFOX Strategy and Actions

(i) Strategic reframing: from "trademark infringement" to "unfair competition": KENFOX advised Engelhard and SOHACO not to rely solely on the registered word mark "PROSPAN". Instead, we proposed pursuing the case under Vietnam's *unfair competition* framework. This approach was crucial because Vietnamese law on unfair competition covers conduct that misleads consumers about the commercial origin of goods or causes market confusion by copying the overall commercial presentation, trade dress, or get-up of well-known products - even when the infringer uses a different mark.

This reframing was a decisive strategic move. It demonstrated our understanding that intellectual property enforcement in Vietnam extends beyond <u>registered rights</u>, encompassing remedies under competition and anti-unfair-competition laws. In essence, we identified and activated the right legal lever, rather than relying on the traditional route.

(ii) Direct market investigation and on-site evidence: To substantiate the case, KENFOX deployed an inhouse investigator to approach VINH AN THANG LONG directly. The mission was to confirm that the company was actively selling large volumes of PROSTIBAME cough supplements, collect evidence of the packaging and get-up (packaging) used in commerce, and establish the commercial scale of production. By proving that the activity was systematic and not a small-scale incident, we gave regulators a compelling reason to intervene. This step was critical - Vietnamese authorities act decisively only when presented with concrete evidence of real market impact.

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- (iii) Petitioning the correct authority: Vietnam Competition Authority (VCA): On behalf of Engelhard Arzneimittel and SOHACO, KENFOX submitted a formal petition to the Vietnam Competition Authority (VCA) under the Ministry of Industry and Trade. This was a deliberate and powerful choice. The VCA holds jurisdiction over unfair competition practices, including misleading commercial presentations. By taking the matter to the VCA, we reframed the issue from a mere private trademark dispute into a question of market conduct under state supervision. This escalation increased the pressure on the infringer it was no longer "a company complaint", but a state review of whether the company was deceiving consumers.
- (iv) Obtaining an "Expert Opinion" to formally establish wrongdoing: Following our petition, the VCA formally sought an "Expert Opinion" from the Intellectual Property Office of Vietnam (IPVN). The IPVN issued an official letter confirming that VINH AN THANG LONG's use of the copied PROSTIBAME outer label on its cough product constituted an act of unfair competition.

This step was decisive. It converted our legal position into an official government finding, confirming that the conduct misled consumers and took unfair advantage of PROSPAN's established market identity. With this "Expert Opinion" on record, the VCA had a clear legal basis to summon the infringer, subject them to regulatory questioning, and require immediate corrective measures.

4. Outcome / Impact

- Regulatory confrontation and admission of wrongdoing: The Director of VINH AN THANG LONG was summoned by the Vietnam Competition Authority (VCA). Confronted with the evidence and the IPVN's "Expert Opinion", the Director admitted the conduct, acknowledged that the packaging copied our client's presentation and caused confusion, and apologized for infringing our client's IP-related interests and engaging in unfair competition.
- Volume of infringement identified: VINH AN THANG LONG disclosed that more than 10,000 PROSTIBAME units had already been manufactured. This established the commercial scale of the activity and confirmed that it was not accidental but a deliberate imitation.
- Commitment to cease: VINH AN THANG LONG undertook to stop using the infringing product labels. While they attempted to negotiate a sell-out of existing stock ("let us exhaust what we've already produced"), they agreed in parallel not to continue with those labels going forward.
- Post-action market cleanup: Subsequent market monitoring confirmed that PROSTIBAME products
 bearing the infringing get-up (packaging) no longer appeared in the marketplace. In practical terms,
 we halted a lookalike product line at approximately 10,000 units, compelled the infringer to
 acknowledge liability before regulators, and prevented long-term dilution of PROSPAN's trade dress
 and reputation in Vietnam. This is real-world relief: confusion in pharmacies and OTC channels has
 been resolved.

5. What This Case Proves About KENFOX?

- We are able to stop infringement even when normal trademark arguments don't work. In this case, the other side's mark "PROSTIBAME" was not confusingly similar to our client's mark "PROSPAN," and the copied packaging was not separately registered. Many firms would have told the client that the case was too weak. We still stopped the conduct and removed the product from the market.
- We know how to use Vietnam's unfair competition laws. Instead of treating this as a <u>trademark</u> <u>infringement</u> case, we argued that the other side was misleading consumers with the way their product was presented. That allowed us to use a different enforcement channel one that actually produced results.
- We reframed the violation as misleading commercial presentation, not trademark infringement. That unlocked an enforcement avenue that actually worked.
- We generate actionable evidence and give regulators a path: We didn't just allege. We did onthe-ground investigation, proved scale, and positioned the matter squarely as a consumer deception / unfair competition issue that the VCA could act on.
- We coordinate authorities: We triggered (i) Vietnam Competition Authority (to handle unfair competition), and (ii) the IPVN (to issue a written expert conclusion that the packaging imitation was

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unfair).

That combination created legal pressure the infringer could not ignore.

- We force behavioral change, not just paper wins: We obtained an on-record admission of wrongdoing, an apology, a cessation commitment, and actual disappearance of the infringing get-up from the market.
- We protect not just IP, but market position: SOHACO and Engelhard's PROSPAN brand relies on consumer trust (especially in children's cough / respiratory relief). "Lookalike but not identical" products can erode that trust. We preserved that trust in Vietnam.

That's very compelling to pharma, OTC, cosmetics, supplements, F&B - all sectors where copycats imitate the box, colors, leaflets, fonts, kid-friendly mascots, etc., but change the name just enough to dodge straightforward trademark liability.

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