

Overcoming the Territoriality Trap: How FUMARI Blocked a Bad-Faith Trademark Filing in Laos Without Local Registration

The Department of Intellectual Property of Laos (“Laos DIP”) recently issued a Notice sustaining an opposition against **Trademark Application No. 50354 for “FUMARI” in Class 34**, filed by **Xuanfeng Biotechnology Sole Co., Ltd.** In this matter, KENFOX IP & Law Office represented Fumari Inc. to challenge the adverse party’s mark, steering the case to a successful outcome.

In its Notice, the Laos DIP confirmed that, following consideration of the opposition based on the relevant reasons and evidence submitted, the opposition was sustained. As a result, the opposed application **will not proceed to the substantive examination stage**.

This is a significant outcome for international brand owners. It demonstrates that, although trademark rights are territorial and Laos follows a registration-based system, the absence of a local trademark registration is not always an absolute bar to action. Where a foreign brand owner can establish prior commercial identity, global reputation, trade name rights, and indicia of bad faith, a carefully prepared opposition may still succeed.

The Core Challenge: No Prior Trademark Registration in Laos

The case involved a classic territoriality problem.

Fumari, Inc., established in 1997, is known in the hookah industry for premium hookah tobacco products. The company owns trademark registrations for **FUMARI** in multiple jurisdictions worldwide, including major markets such as the United States, the European Union, China, Brazil, Japan, and others.

However, at the time of the opposition, Fumari, Inc. did **not** have a [registered trademark](#) in Laos.

This created a major legal and practical weakness. In many first-to-file jurisdictions, the absence of a prior local registration can severely limit a brand owner’s ability to challenge a third-party application. A conventional opposition based only on prior registered trademark rights would not have been available.

The key question, therefore, was whether Fumari, Inc. could prevent registration of [an identical mark](#) in Laos by relying on other legally recognized interests, including its trade name, global use, reputation, and the applicant’s apparent bad faith.

The Legal Strategy: Moving Beyond Simple Trademark Priority

To overcome the lack of a Lao trademark registration, the opposition could not be framed as a standard prior-rights dispute. Instead, the strategy needed to shift the legal focus from **local trademark priority** to **trade name protection, [likelihood of confusion](#), false association, and [bad faith filing](#)**.

The opposition was primarily built on the following legal foundations under the Laos Law on Intellectual Property, as amended in 2023.

First, Lao law recognizes protection for trade names. Under Article 12, trade names are not required to be registered but are protected under the IP Law. Article 62 further provides that the term of protection for trade names is unlimited until the owner ceases use.

This was important because “**FUMARI**” is not merely a product mark. It is also the distinctive core of the company name **Fumari, Inc.**, which has been used in commerce for many years in connection with hookah tobacco products.

Second, Article 23 provides that marks may be ineligible for registration if they are identical [or similar to a trade name](#) for a business providing the same, similar, or related goods or services. It also bars marks that would create a likelihood of confusion as to the source of goods or services, or falsely suggest an association with a registered mark, well-known mark, or trade name.

Third, Article 44 provides that the Ministry of Industry and Commerce may cancel or invalidate a registration if it has been falsely registered or filed in bad faith.

By combining these provisions, the opposition was able to address the central weakness of the case. The argument was not simply that Fumari owned registrations abroad. Rather, the argument was that the applicant’s filing of the identical sign **FUMARI** for Class 34 goods created a false association with Fumari,

Inc.'s long-standing business identity and appeared to take unfair advantage of the goodwill accumulated by Fumari over nearly three decades.

The Evidentiary Burden: Why the Case Required More Than Formal Arguments

This type of case is evidence-sensitive.

Foreign trademark registrations are helpful, but they do not automatically prove enforceable rights in Laos. Likewise, general assertions of reputation or [bad faith](#) are rarely sufficient on their own.

The opposition therefore required a structured evidentiary approach to show that:

- **FUMARI** had been used as the distinctive [trade name](#) and commercial identity of Fumari, Inc.;
- Fumari, Inc. had operated in the hookah industry since 1997;
- the brand had obtained registrations and recognition in numerous jurisdictions;
- the opposed application covered Class 34 goods, directly connected with Fumari's business field;
- the applicant had no apparent legitimate relationship with Fumari, Inc.; and
- registration of the opposed mark would likely mislead consumers, falsely suggest an association, and obstruct the legitimate brand owner's market interests in Laos.

The success of the opposition shows the importance of presenting evidence as a coherent factual chain. In cases where the brand owner lacks a local registration, the attorney's role becomes especially important: the case must be built not only on statutory provisions, but also on commercial logic, market context, and objective indicators of bad faith.

The Laos DIP's Decision: Application Blocked Before Substantive Examination

The Laos DIP sustained [the opposition](#) and confirmed that Trademark Application No. 50354 would not proceed to substantive examination.

This is procedurally important. The application was stopped before registration, preventing the applicant from acquiring a formal trademark right that could later have been used to disrupt Fumari's market entry, commercial expansion, customs clearance, distribution, or enforcement strategy in Laos.

From a practical standpoint, this result avoided the need for more costly post-registration invalidation proceedings or defensive enforcement actions.

Significance of the Decision: The Power of Pre-Grant Enforcement

The decision highlights the strategic value of the opposition procedure in Laos.

A timely opposition allows a legitimate brand owner to challenge a problematic application before it matures into a registered right. This is particularly important in bad-faith filing cases, where delay can significantly increase legal and commercial risk.

Once a bad-faith mark is registered, the legitimate owner may face a more complex situation: [invalidation proceedings](#), possible enforcement threats from the registrant, distributor uncertainty, customs issues, online marketplace complaints, or commercial pressure to buy back its own brand.

By contrast, pre-grant opposition can stop the problem at its source. The FUMARI case therefore illustrates that early monitoring and prompt opposition remain among the most cost-effective tools for protecting brands in Laos.

Market and Jurisdictional Takeaways

1. Lack of Local Registration Is a Weakness, But Not Always Fatal: The case does not reduce the importance of filing trademarks in Laos. On the contrary, it reinforces the need for early local filing.

However, it also shows that where a foreign brand has no Lao registration, all is not necessarily lost. Trade name protection, global reputation, prior use, related goods, and bad faith circumstances may collectively provide a viable basis for opposition.

2. Laos Provides a Meaningful Pre-Grant Remedy: The Laos DIP's decision sends a positive enforcement signal. It shows that the opposition mechanism can be effective where a third party attempts

to appropriate a foreign brand, particularly where the applicant's mark is identical [and the goods are closely connected](#) with the legitimate owner's business.

3. Evidence Is Decisive in Bad-Faith Filing Cases: Bad faith should not be pleaded as a bare allegation. It must be demonstrated through objective facts. Useful evidence may include foreign trademark registrations, historical use materials, corporate records, product information, websites, distributor documents, invoices, advertising materials, media references, industry recognition, and evidence showing the applicant's lack of legitimate interest.

The stronger the evidentiary bridge between the foreign brand's reputation and the applicant's conduct, the greater the chance of success.

4. Trade Name Protection Can Be Strategically Important: Where the copied mark corresponds to the company name or core commercial identity of the brand owner, trade name protection may become a powerful supplementary basis for opposition. This is particularly relevant in cases where the foreign company [has not yet registered its trademark locally](#), but has long used the disputed sign as part of its business identity.

5. Local Expertise Matters: When a brand owner lacks a prior local registration, standard opposition templates are unlikely to be sufficient. The case must be carefully framed around the available statutory grounds, the commercial reality of the brand, and the applicant's suspicious conduct.

The FUMARI case demonstrates how practical experience in Laos IP proceedings can make a decisive difference: identifying the right legal hooks, selecting the strongest evidence, and presenting the facts in a way that allows the authority to see the filing not as an ordinary trademark application, but as an attempt to appropriate another party's established commercial identity.

Conclusion

The successful opposition against Trademark Application No. 50354 "FUMARI" in Laos is a useful reminder for international brand owners: territoriality matters, but it is not always the end of the story.

A Lao trademark registration remains the best first line of defense. But where a third party files an identical or highly similar mark before the legitimate brand owner has registered locally, a prompt, evidence-driven opposition may still provide an effective remedy.

For foreign businesses, the lesson is clear: monitor Laos, file early where possible, and act quickly when suspicious applications are detected. For IP practitioners, the case underscores the value of combining local statutory tools with cross-border evidence of trade name use, reputation, and bad faith.

In the FUMARI matter, that strategy worked. The opposed application was stopped before substantive examination, preserving the legitimate brand owner's position and sending a clear message that bad-faith attempts to capture foreign brands in Laos can be challenged successfully.