



# **KEY CONSIDERATIONS ABOUT PROTECTING YOUR IP WHEN DOING BUSINESS IN VIETNAM**

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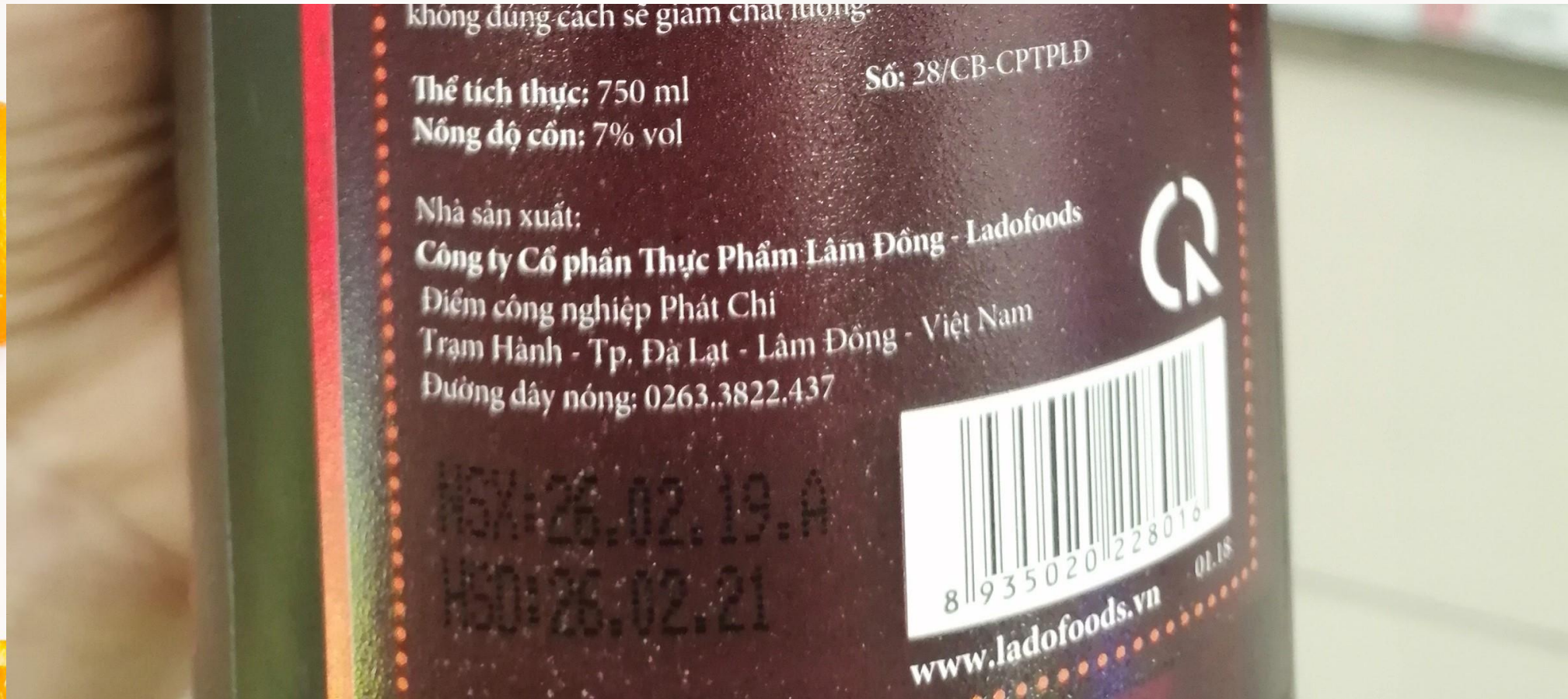
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**Before we start:**  
One simple question  
Where is this product from?



It is made in Vietnam  
Did you guess it right?



# What happened?

For many years Sangria has been imported to Vietnam

- nor the Sangria producers nor the importers have ever registered their Trade Mark or filed an application for GI

In 2017 Lâm Đồng (Ladofood)

- has filed a registration for the Trade Mark, the registration is still pending
- they are also selling their products on the market, misleading the consumers about the quality and taste of a real Sangria

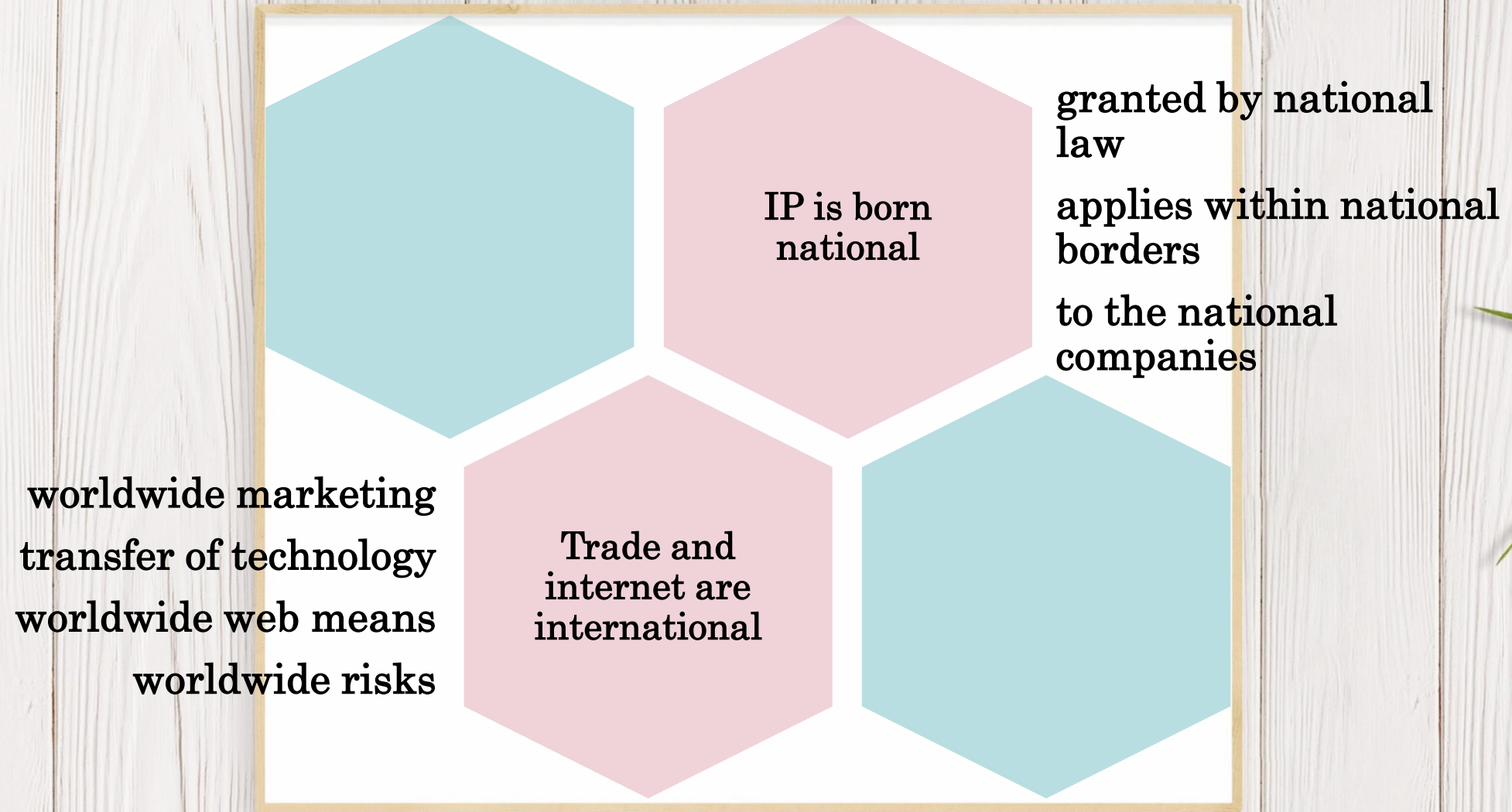
If the TM application by Ladofood is approved:

- They will be the owner of Sangria TM
- They can sue other people for using “their” TM
- They can block the import of products bearing the name Sangria

Sangria importer and producer can:

- Oppose to the Ladofood registration
- Try to register their TM or register Sangria as GI
- Suit Ladofood for unfair competition
- Try to negotiate with Ladofood to buy back the TM or to at least secure that Ladofood will not oppose the registration by the Spanish companies

# What's the problem?



# Safe steps for internationalization



# Intellectual property a strange unknown thing



**Copyright :** Literary artistic and scientific works. Software and data collection



**Trade marks:** Distinctive sign that allows consumers to distinguish goods or services



**Patent:** Invention or Utility solution (novel – inventive step – industrial application)



**Industrial design:** appearance of a product (new – creative – industrial application)

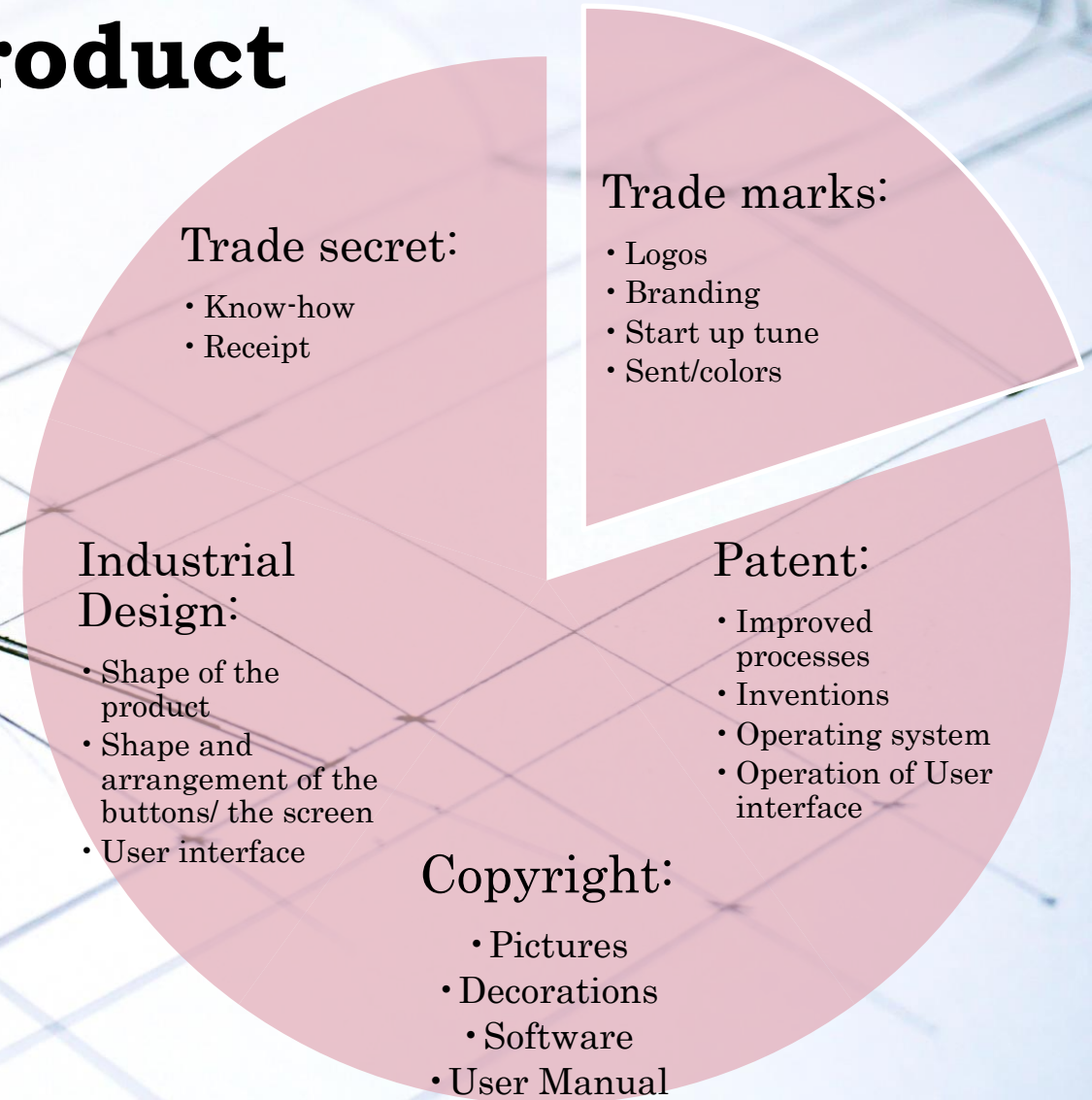


**Geographical indication:** name or a sign that connect to a specific place



**Trade secret:** information which has not been disclosed and is applicable in business

# Let's think about your product



# What are most common risks?

## Infringement by third parties

- Trade Marks squatting
- Online infringements
- Counterfeits

## Infringement by potential partners

- Backdoor sales
- Bad faith registration
- Stealing of know-how

# Intellectual property is strictly national

## In order to be protected

- You have to register your rights in each country
- If your invention has been patented in one country it's not new and cannot be patented in other countries

## There are some international treaties that can help you

- Paris convention
- Madrid system
- PCT

# Protection in Vietnam

## Copyright

- Registration takes around 15 days
- Costs of basic application approx. 20 €

## Invention Patent

- Registration takes around 20 m.
- Costs of basic application approx. 70 €

## Utility Solution Patent

- Registration takes around 18 m.
- Costs of basic application approx. 70 €

## Industrial design

- Registration takes around 15 m.
- Costs of basic application approx. 70 €

## Trade marks

- Registration takes around 15 m.
- Costs of basic application approx. 60 €

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# A snapshot on international treaties

## Paris Convention for the Protection of Industrial Property

- Adopted in 1883, applies to industrial property in the widest sense
- National treatment
- Right of priority (12 months for patents and utility models; 6 months for industrial designs and marks).

## Madrid system

- 122 members
- The Madrid System is a convenient and cost-effective solution for registering and managing trademarks worldwide.

## Patent Cooperation Treaty (PCT)

- 153 members
- PCT assists applicants in seeking patent protection internationally for their inventions,

# How to exploit your IP

After registration you can consider starting partnerships with local partner.

**Licensing or Franchising:** If you cannot fully satisfy the market demand for your IP protected product(s), you can enter into licensing or franchising arrangements with other companies.

In other words you allow other companies to use your IP paying you some royalty. In addition to the use of licensing as a tool for satisfying market demand and increase profit, licensing of IP assets can be an effective tool for generating a stable flow of additional/new revenue in the form of royalty.

Merchandising and Joint Ventures are also valuable way to exploit your IP.

Always remember to: write your agreement in a clear way and in Vietnamese, for transferring technology or any kind of IP you need to register your contract with IPVietnam (VND 120,000).

# The infringements on e-commerce websites

You should monitor the most important e-commerce websites

Search for your **brand name**

Search for your products in **local language**

Search for your **brand combined with key words** as “like”, “replica” or “inspired”

Don't forget to search on Facebook

In recent years big websites like the Alibaba groups adopted a stricter policy

People start selling in Facebook and private groups

There is no specific legislation for online infringements

Selling counterfeit is always illegal

However is hard to catch online infringers

Most big players have a notice and take down system

# Monitoring a case study

An Italian company is producing glues which have never been sold in Vietnam

- In September they receive information that someone is trying to register their TM in Vietnam
- The Vietnamese company was also selling on Facebook
- The Italian Company thought they could not oppose the registration, but they contacted the helpdesk

## Suggested strategy

- Try to contact the vendor, also to understand how he got the products
- Oppose the registration, is a clear bad faith (the logos were identical)
- Ask Facebook to remove the product

## The Vietnamese company

- “Agreed to withdraw the application for TM and modify the label, under a condition that someone needs to cover the small cost that they have paid so far for the brand registration process”

## Lesson learnt

- Monitoring your IP is crucial for early intervention, the case would have ended quite different if the TM was already registered
- Monitor also online selling, Facebook is a common place to find counterfeit goods



# The infringements on e-commerce websites

Draft your agreements carefully and in Vietnamese

Always include specific clauses on IP

Register your rights

Monitor online and offline market

Be ready to enforce your right

# Do not forget

## Intellectual property is an asset

- It helps in building reputation and strengthening your position on the market.
- It attracts investors.
- You can license the use, distribution or manufacture of your products, or enter distribution agreement with the local partners
- Intellectual property is money.

Registration is always less expensive than litigation



# Thanks for your attention

# Questions?

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**Thank you for your attention!**  
**Stay connected!**



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