



NEWS

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THE FIRST SESSION OF LEGISLATURE XIV CONCLUDED

The first session of Legislature XIV of the Vietnamese National Assembly (NA) concluded on July 29, 2016 after 8 days of works. In this session, the NA has mainly focused on legislative body's organization and personnel works, elected and approved high ranking state positions for the 2016-2021 five-year term.

Concerning the issue of law-making, in this section, the NA has voted and passed a Resolution on laws and ordinances building program for the year 2017 and adjusted the laws and ordinances building program for the year 2016. According to it, during the 2nd session to be held from October 20, 2016

to November 22, 2016, the NA is expected to examine and approve 4 laws and a number of resolutions, and give opinions on 14 other draft laws. D&N International Legal Bulletin will continue to report on this issue in its next issues.

THE NOIP TEMPORARILY SUSPENDS RECEIPT OF NEW REQUESTS UNDER PPH PILOT PROGRAM

The National Office of Intellectual Property (NOIP) has announced that it shall temporarily suspend receipt of new requests for patent examination under the Patent Prosecution Highway (PPH) Pilot Program, after having received 100 requests for less than five months of its implementation (from April 1, 2016 to August 24, 2016).

According to the agreement on implementation of the PPH Pilot Program between the NOIP and Japan Patent Office, the objective of 100 applications for the first year has been reached, thus implementation of the Program shall be suspended until April 1, 2017.

MINISTRY OF JUSTICE PROPOSES TO AMEND THE IP LAW


According to local press, Ministry of Justice has finalized a draft report on the results of examination of 124 legal documents having relation with the enforcement of the 2015 Civil Procedure Code (“CPC”). The examination results reveal a great number of legal documents having contents incompatible or inconsistent with the CPC.

Concerning the Law on Intellectual Property (“IP Law”), Ministry of Justice reckons that it is necessary to make amendment to the provision according to which the losing party could be required to pay attorney fees of the winning party. Specifically, according to Clause 3, Article 205 of the IP Law, IP right holders have the right to request the court to force the infringing party to pay reasonable attorneys' fees. This provision is not in accordance with Article 168 of the CPC, according

to which interpreter and lawyer fees shall be borne by the requesting party, unless the parties agree otherwise.

In addition, Ministry of Justice also found inconsistencies between the IP Law and the CPC with regard to the regulations on bond requirement for preliminary injunction. Specifically, Clause 1, Article 136 of the CPC provides that the court shall determine the amount of money or valuable papers to apply to the party requesting preliminary injunction, but this amount must be equivalent to the potential loss or damage incurred would application of the preliminary injunction eventually prove to be groundless. However, according to Clause 2, Article 208 of the IP Law, the party requesting preliminary injunction shall only be required to deposit the bond in one of the following forms: an amount of money equal to 20% of the value of goods subject to preliminary injunction or at least VND 20 million (about USD 1.900) if the value of such goods cannot be determined; guarantees issued by bank or other credit institutions.


EVALUATING RESULTS OF 10 YEARS OF IMPLEMENTATION OF COPYRIGHT LAW

 In August 18, 2016, in Hue City, the Ministry of Culture, Sports and Tourism (MCST) held a conference to evaluate results of 10 years of implementation of the Law on Intellectual Property (IP Law) with regard to copyright and related rights (commonly referred to as copyright).

According to the report on results of activities of MCST, from 2006 to 2015, Copyright Office received and handled 258 copyright related complaints. The Inspectorate under MCST inspected 541 enterprises with regards to computer programs leading to issuance of 499 decisions on administrative sanctions and imposed a total amount worth VND 8,6 billion (about USD 391.000). During the same period, over 130 copyright cases were filed before civil courts.

In the past 10 years, 5 copyright collectives have been established and operating in Vietnam, including Vietnam Center for Protection of Music Copyright (2002), Recording Industry Association of Vietnam (2003), Vietnamese Literary Copyright Center (2004), Vietnam Reproduction Rights Organization (2010) and Vietnam Association for Right Protection of Music Performing Artists (2016).

THE GOVERNMENT APPROVES PROGRAM FOR IP ASSETS DEVELOPMENT FOR 2016-2020 PERIOD

 On June 14, 2016, the Prime Minister signed Decision No. 1062 /QD-TTg approving the program for development of intellectual property (IP) assets for the five-year period from 2016 to 2020.

The program has six following objectives: (i) Raising the awareness of organizations and individuals on IP assets in the process of international economic integration; (ii) Providing IP training to approximately 1,000 individuals, focusing on research institutes, universities and businesses; (iii) Providing supports for exploitation and application in practice of at least 50 inventions/utility solutions of Vietnam; (iv) Providing supports for protection, management and development of IP Rights for at least 70 local characteristics products and products of craft villages bearing geographical names; (v) Providing supports for at least 100 enterprises and scientific and technology organizations in establishing and developing models for management and development of IP assets; and (vi) Providing supports for registration and protection of IP rights in Vietnam and abroad for Prime Minister-approved national products.

The program includes the following main matters: (i) Raising awareness, capacity to create and develop IP assets; (ii) Providing supports for registration, management and protection of IP assets; (iii) Providing supports for commercial exploitation and development of IP assets; and (iv) Providing supports for application of IP assets and personal creations which has been formed from the practice.

Funds for implementation of the program includes funds from the state budget, contributions from businesses and other legal sources. Ministry of Science and Technology is the host institution for organizing and implementing the program.



NEW LEGISLATION

CIRCULAR 14/2016/TTLT-BTTTT-BKHCN: SOME FEATURES OF THE PROCEDURES FOR CHANGING AND REVOKING DOMAIN NAMES INFRINGING IP RIGHTS

In an effort to improve effectiveness in handling cases of infringement of intellectual property (“IP”) rights on the internet and/or unfair competition in connection with domain names, on June 8, 2016, Ministry of Science & Technology (“MOST”) and Ministry of Information and Communications (“MIC”) have jointly issued Circular No. 14/2016/TTLT-BTTTT-BKHCN (“Circular 14”) providing guidance on the procedures for changing and revoking domain names infringing IP rights. This Circular takes effect as of July 25, 2016.

Circular 14 has the following main features:

1. Remedies against domain names which violate the IP law

Pursuant to Articles 5, 6, 7 of Circular 14, remedies against domain names which violate the IP law include: (1) Forcible change of information associated with domain names “.vn”; (2) Forcible return of domain names “.vn”; and (3) Revocation of domain names “.vn”. Depending on nature of each act of infringement, the competent authority will apply appropriate remedy as mentioned above. Specifically:

- ***With regard to forcible change of information associated to domain names “.vn”:*** Pursuant to Article 5 of Circular 14, this remedy will be applied in case “the website pointed to by such domain name posts information infringing IP rights, such as advertisement or introduction information on products, offer for sale or sale of identical, similar or related products/services, damaging the prestige, reputation and property of the owner of a protected mark, trade name or geographical indication”.

Thus, in essence, the person committing the above act of infringement is regarded as lawful owner of the registered domain name. However, as the website associated to the domain name contains IP rights infringing information, the infringer must remove those infringing elements and information. In case the infringer removes the infringing elements within the period of time as prescribed in the Decision on Sanctions against IP rights infringement, the ownership of the domain name shall remain. On the contrary, if the infringer intentionally fails to remove the infringing elements, the domain name can be revoked.

- ***With regard to forcible return of domain name “.vn”:*** Pursuant to Article 6 of Circular 14, this remedy will be applied in case all of the following conditions are satisfied: (1) The domain name “.vn” is identical with or confusingly similar to a protected mark, trade name or geographical indication over which its owner has lawful rights or interests; (2) The user of the domain name “.vn” has no lawful rights and interests with respect to the protected mark, trade name or geographical indication; and (3) The website pointed to by the domain name “.vn” contains advertisement or introduction information on product, offer for sale or sale of identical, similar or related products or services, damaging the prestige, reputation or property of the owner of the protected mark, trade name or geographical indication; or information disgracing or slandering products, goods or services of the owner of the protected mark, trade name or a geographical indication.

The above provision means that forcible return of domain names “.vn” is only applied where all of the above three conditions are satisfied. Even if only one of the said conditions is not satisfied, the enforcement authority cannot apply the remedy. In addition, unlike in cases of change of information associated with domain names “.vn”, the infringer, subject to forcible return of domain names “.vn”, is not regarded as the lawful owner of the registered domain name. This domain name, in accordance with the law, belongs to other person. Therefore, if the above remedy is applied, the infringer must proceed with the required procedure for returning the domain name to the person who has the lawful right to register.

- ***With regard to revocation of domain name “.vn”:*** Pursuant to Article 7 of Circular No. 14, this remedy will be applied in the following cases: (a) The user of the domain name “.vn” infringing IP rights intentionally fails to change information associated with such domain name or fails to return the domain name in accordance with the decision on administrative sanction in the IP field within 30 days from the date such decision takes effect; (b) The user of the domain name “.vn” intentionally fails to prevent or remove information infringing IP rights posted on the website pointed to by such domain name at the request of a competent state agency.

As such, revocation of domain names “.vn” is to be applied not only in cases where the

infringer is not regarded as lawful owner of a registered domain name, but also where the infringer is regarded as lawful owner thereof, but fails to remove IP infringing elements as requested by an IP enforcement authority. This stipulation is expected to contribute to discourage internet users from committing IP right infringement or act of unfair competition in connection with domain name.

2. Procedures for changing information associated with, returning and revoking domain names “.vn”

Pursuant to Articles 8, 9, 10 of Circular 14, procedures for changing information associated with, returning and revoking domain names “.vn” are as follows:


- **Procedures for changing information associated with domain names “.vn”:** In case a decision on administrative sanctions requires application of forcible change of information associated with a domain name “.vn”, the IP enforcement competent authority shall send the decision to the concerned parties, the domain name management agency and the relevant domain name registrant for coordination purpose. Within 30 days from the date on which the decision takes effect, the infringer shall remove the infringing information posted on the website pointed to by such domain name and report it in writing to the decision issuer, the domain name management agency and the registrant managing such domain name.
- **Procedures for return of domain names “.vn”:** In case a decision on administrative sanctions requires application of forcible return of a domain name “.vn”, the IP enforcement competent authority shall send the decision to the concerned parties, the domain name management agency and the relevant registrant for coordination purpose. Within 30 days from the date on which the decision on administrative sanctions takes effect, the infringer shall carry out procedure for returning the domain name “.vn” to the relevant registrant. Procedure for returning domain names must comply with Article 10 of Circular 24/2015/TT-BTTTT on management and use of Internet resources, issued by MIC on August 18, 2015. Within 3 working days from the date on which the infringer completes the procedure for returning the domain name, the relevant registrant shall report in writing to the decision issuer, the relevant competent enforcement authority and the domain name management agency about the return of the domain name “.vn”.
- **Procedure for revocation of domain names “.vn”:** Within 5 working days from the expiration of the time limit for application of change of information associated with or return of domain name “.vn”, but the infringer

fails to comply with, or in case the infringer fails to prevent or remove information infringing IP rights on the website pointed to by the domain name upon request by a competent authority, the IP enforcement authority shall send a written request to revoke that domain name to the domain name management agency. Within 3 working days from receiving such a written request to revoke domain name “.vn” from the IP enforcement authority, the domain name management agency shall apply technical and professional measures on the system of national DNS servers in order to revoke the domain name, and then notify in writing the results thereof to the IP enforcement authority and the relevant registrant of the domain name.

3. Responsibility of relevant authorities and agencies for coordinated handling of domain names “.vn” infringing IP rights

Pursuant to Article 11 of Circular 14, in the process of infringement handling, the IP enforcement authority may consider and send written requests to the MIC (which is the competent agency for managing domain names “.vn”) asking for its opinion and coordination before issuing decisions on administrative sanctions against IP right infringement applying forcible change of information associated with or return of domain names “.vn”. However, the IP enforcement competent authority may issue decisions on its own and take responsibility before the law for their decisions. This means that the IP enforcement authority may ask opinion of the MIC in case it is difficult to determine the act of infringement, but is not bound by the law to apply such opinion.

CIRCULAR NO. 08/2016/TT-BVHTTDL: PROMULGATING NEW COPYRIGHT REGISTRATION FORMS

 On July 2, 2016, the Ministry of Culture, Sports and Tourism issued Circular No. 08/2016/TT-BVHTTDL (« Circular 08/2016») promulgating copyright/related rights registration forms. This Circular takes effect as of August 15, 2016 replacing Decision No. 88/2006/QD-BVHTT dated October 17, 2006 issued by the Ministry of Culture and Information. Copyright/related rights registration certificates which have been issued by using forms under the old Decision No. 88/2006/QD-BVHTT shall remain in effect.

Circular 08/2016 is enclosed with 04 forms, namely: (i) Application Form for Registration of Copyright (Form 01); (ii) Application Form for Registration of Related rights (Form 02); (iii) Copyright Registration Certificate (Form 03); and (iv) Related Rights Registration Certificate (Form 04).

These new forms have some additional contents in comparison with the previous ones, namely:

- Guidelines for filling Application Forms are inserted therein.
- Supplementing information on author, copyright owner and the original work from which the derivative work is created; information on work/recording subject to related rights used in performances, sound recordings, video recordings; broadcasting programs (if any).

- Supplementing information on date of completion of work. The date of completion of work serves as basis for calculating the term of copyright protection where applicable.
- Supplementing information on Copyright/Related Rights Registration Certificates which have been granted, if their owners wish to obtain re-issuance thereof.

According to Circular 08/2016, in case of application for re-issuance of Copyright/Related Rights Registration Certificate, the applicant must use Form 01 and Form 02, as for new registration.



THE “D&N” TRADEMARK CASE: PROTECTION OF TRADEMARK WHICH IS MERELY A COMBINATION OF TWO SIMPLE LETTERS

D&N International has recently succeeded in appealing against the NOIP’s refusal to protect the “D&N” trademark for services in classes 35, 36, 41, 42 & 45 in Vietnam. Of note, the mark in this appeal is merely a combination of two simple alphabetic letters and the ampersand “&”, which are considered indistinctive.

Facts

D&N International filed an application for “D&N” trademark for services in classes 35, 36, 41, 42 & 45 (“the Trademark”) in Vietnam. Nevertheless, the National Office of Intellectual Property of Vietnam (“the NOIP”) refused to protect this trademark on the ground that the Trademark is the simple alphabetic letters, therefore, lacks distinctiveness (Article 74.2a of IP Law).

Having not agreed with the NOIP’s refusal, on May 22, 2014, D&N International filed an appeal against this refusal arguing that the Trademark must enjoy an exception to the regulation because it has been widely used and recognized as a trademark, therefore, it has acquired distinctiveness with respect to the used services. To prove the above, D&N International has submitted the following arguments:

- The Trademark is also the trade name of the Applicant and has been continuously in use since 1992;
- Since the date of its establishment, D&N International has been providing consulting and related services to a great number of clients from over 50 countries in the world,

from Asia to Australia, Europe and America;

- Through continuous and extensive use for consulting and related services for over 20 years, the Trademark has gained reputation and goodwill amongst customers, thus acquired distinctiveness in Vietnam and abroad;
- D&N International and its Trademark have continuously been advertised and promoted through a variety of advertising channels;
- The sales value of services provided under the Trademark increased over the last five years from 2008 to 2013;
- The trade name “D&N International” has also continuously been used in correspondences between D&N International and the NOIP.

All the above arguments were accompanied by supporting document and evidences including certified true copy of certificate of business registration, in which the trade name “D&N” is stated, documentation proving use of the Trademark, list of clients, assessments and prizes from relevant magazines, copies of articles, ...

After reviewing the arguments and supporting documents provided by D&N International, on January 25, 2016, the NOIP issued Decision No. 239/QD-SHTT approving the appeal filed by D&N International and accepting to protect the Trademark “D&N” for the applied services.

Comments:

According to the current IP Law as well as practice of Vietnam, marks which are simple devices and geometric figures, numerals, letters, are still registrable if the owners thereof succeed in proving that those marks have been used as a trademark and been widely recognized before

the filing date. In such cases, evidences of use of the marks are essential for successful registration.

D&N INTERNATIONAL CO., LTD (D&N International)

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As a representative for a large number of reputable clients from over 50 countries, each year, D&N International settles thousands of cases relating to establishment and enforcement of IP rights, as well as provides consultancy services for various investment projects, both domestic and foreign.

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Website: www.dnlaw.com.vn

Head Office:

Suite 2303, No. 101 Lang Ha,
Dong Da Dist., Hanoi, Vietnam
PO Box: 51 Bo Ho, Ha Noi
Tel: + (84 4) 943 5616
Fax: + (84 4) 943 5619 / 8
Email: info@dnlaw.com.vn

Representative Office in France:

18, rue des Cailles
91260 Juvisy-sur-Orge, France
Tel : + (33 1) 69 21 88 66
Fax : + (33 1) 69 21 54 59
Email : dnlaw@9online.fr

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