

# Protection of Well-known Trademarks in Vietnam

The protection of well-known trademarks was first established under Paris Convention for the Protection of Industrial Property (Art. 6bis) with further clarification in accordance with the TRIPS Agreement (Art. 16.2 & 3), to both of which Vietnam is a party.

In Vietnam, well-known trademarks are defined as marks that are “widely known by consumers throughout the territory of Vietnam.” [Article 4.20, the Intellectual Property Law 50/2005, amended and supplemented in 2009 (the “IP Law”)]. The criteria to establish the well-known status is further provided in Vietnam IP Law 50/2005 (hereinafter referred to as “the IP Law”) as follows:

*Article 75. Criteria for evaluation of whether or not a mark is well known*

*The following criteria shall be taken into account when considering whether or not a mark is well known:*

- 1. The number of relevant consumers who were aware of the mark by purchase or use of goods or services bearing the mark, or from advertising.*
- 2. The territorial area in which goods or services bearing the mark are circulated.*
- 3. Turnover of the sale of goods or provision of services bearing the mark or the quantity of goods sold or services provided.*
- 4. Duration of continuous use of the mark.*
- 5. Wide reputation of goods or services bearing the mark.*

6. *Number of countries protecting the mark.*

7. *Number of countries recognizing the mark as a well-known mark.*

8. *Assignment price, licensing price, or investment capital contribution value of the mark.*

Unlike usual marks, the rights to a well-known mark are granted on the basis of intensive use to the extent that it is recognized as well-known. Once protected, a well-known mark enjoys broader protection than a usual one. For instance, a well-known mark can be cited to refuse trademarks even with dissimilar goods or services if the use of such marks may affect the distinctiveness of the well-known mark or the mark registrations were aimed at taking advantage of the reputation of the well-known mark (Article 74.2.i, the IP Law).

However, having a mark recognized as well-known has never been easy to trademark holders in Vietnam.

### **Major Obstacles**

In fact, the number of marks recognized as well-known in Vietnam is still rather modest. Several factors may have contributed to this fact.

The first factor is the inconsistency in the definition of “well-known” status in the IP Law. Specifically, one of the criteria for evaluating the well-known status of a trademark is the number of consumers among the *relevant sector* of the public who are aware of the mark (Art. 75.2). However, a mark must be widely known to all consumers throughout the territory of Vietnam in order to be considered “well-known” (Art. 4.20). It is evident that no mark, even the most famous ones, is used for all types of goods or services so that it can be known to all consumers of different backgrounds, professions, hobbies and interests. Therefore, proving that a mark has been known to all consumers throughout the country might be an almost

impossible mission to any trademark owner, especially those whose marks are used for professional goods or services such as industrial machinery or medical equipment. In light of this, knowledge of the relevant sector would be a more appropriate approach in recognizing well-known trademarks. However, currently the inconsistency in the definition makes the trademark holder get lost in trying to collect evidence to prove that its mark has been well-known.

The second factor is the strictness of the National Office of Intellectual Property of Vietnam (NOIP) in recognizing well-known marks. With the lack of specific quantitative standard for evaluating the well-known status of a trademark, the NOIP seems to be getting stricter and stricter in recognizing well-known marks. In practice, the NOIP often requires intensive evidence showing the use of a mark, especially in Vietnam, in assessing the well-known status of a trademark. Therefore, without evidence of use in Vietnam, a worldwide well-known mark can hardly be regarded as well-known in Vietnam. On the other hand, the vagueness in the definition and criteria of well-known marks sometimes result in arbitrary decision in recognizing or not recognizing well-known marks by the competent authority.

Last but not least, the lack of efficient system for recognizing and managing well-known trademarks is also worth mentioning. Currently, there is no official procedure for recognizing a well-known trademark in Vietnam. In practice, the NOIP can recognize the well-known status of a mark in any single proceeding such as examination, opposition or cancellation in relation to a specific case. Therefore, the recognition of a well-known mark is only recorded in that case without being systematically managed as a public source of reference. According to the law, well-known trademarks must be recorded in the List of Well-known Marks which is maintained by the NOIP (Rule 42.4, Circular 01/2007/TT-BKHCN). In fact, however, the creation, maintenance and publication of such a

list have yet to be known.

## **Recommendations**

To effectively protect the legitimate rights of holders of well-known trademarks, it is hoped that these issues will be addressed in the foreseeable future. More transparency should be made to the process of assessing and recognizing well-known marks. A list of well-known trademarks should also be created and published shortly in order to systemize the management of well-known trademarks as well as to increase public awareness of well-known trademarks in Vietnam./.