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Well-Known Trademarks in Vietnam: Theory and Practice

↑ he protection of well-known trademarks was first established by Article 6bis of the Paris Convention. However, the Paris Convention and other subsequent international treaties do not clearly define the concept of being "well known." As a result, the definition of "well known" varies to some extent among signatory states.

In Vietnam, Article 4.20 of the Law on Intellectual Property (IP Law) defines well-known trademarks as marks that are "widely known by consumers throughout the territory of Vietnam." The criteria to establish the well-known status are provided in Article 75 of the IP Law, and include, inter alia, the level of awareness of the mark among the public, the promotion of the mark in Vietnam, the duration and geographical extent of the use of the mark, and the number of countries granting protection to the mark. It is worth noting that Article 4.20 has a higher standard of being "well known" than Article 75.

The rights to a well-known mark are derived from use, not registration. This use, however, does not need to occur in Vietnam. For example, the National Office of Intellectual Property (NOIP) has recognized the well-known status of the mark McDONALD'S even though the mark was neither registered nor used in Vietnam at the time of the recognition (in fact, McDonald's has yet to open its first restaurant in Vietnam).

Effect of Well-Known Trademarks

Well-known marks are granted extended protection: it is considered an infringement to exploit a well-known trademark not only for goods or services identical or confusingly similar to those covered by the well-known trademark, but for all goods or services. Moreover, a well-known mark can be cited to refuse or cancel trademarks even if the goods or services for which the trademark is registered are not identical or similar to the goods or services covered by the well-known mark.

Recognition of Well-Known Status in Practice

In practice, the recognition of the well-known status of a mark often arises during the examination of the trademark application or the enforcement of trademark rights. There is no formal procedure in Vietnam for recognizing the fame of a mark. The NOIP can ex officio recognize the well-known status of a mark during examination, opposition, or cancellation proceedings, and may refuse to register marks that are in conflict with a well-known mark. For example, the NOIP declined to register the mark EUROGO based on the well-known status of the mark URGO and found that Nike's Swoosh device constituted an obstacle to the registration of another curved device mark in Vietnam. In both cases, the NOIP recognized the well-known status of URGO and the Nike device ex officio.

In the process of enforcement, a trademark owner can also request the enforcement bodies to acknowledge the reputation of a mark, which can be a prerequisite to the resolution of IP disputes in certain cases. But enforcement bodies, such as courts and administrative enforcement agencies, rarely decide on the well-known status of a mark ex officio. Usually, the enforcement agencies seek the opinion of other agencies, such as the NOIP.

In Interbrand Group v. Interbrand JSC, the British Interbrand Group brought a trademark infringement charge against the Vietnamese Interbrand JSC, claiming that the Vietnamese company infringed Interbrand Group's exclusive right to exploit the trademark INTERBRAND. Interbrand Group, however, had not registered its trademark in Vietnam, and the Vietnamese company provided services substantially different from those provided by Interbrand

Interbrand Group therefore needed to have its mark recognized as a well-known mark to properly resolve the case. In establishing the grounds for trademark infringement, Interbrand Group requested the court to recognize the well-known status of its mark in Vietnam prior to the incorporation date of the defendant. The court did not rule on the issue on its own but sought the NOIP's opinion. Based on the NOIP's recognition of the fame of the mark, the court ruled in favor of Interbrand Group.

Major Issues to Address

In view of the regulations on well-known marks, as well as the practice of competent authorities, two major issues relevant to well-known marks still need to be properly addressed.

The first issue is the inconsistent definition of "well-known" status in the IP Law. According to Article 75, the well-known status of a mark depends primarily on its well-known status among the relevant sector of the public. Under Article 4.20, however, a mark must be widely known to all consumers throughout the territory of Vietnam in order to be considered "well known." Consequently, to some extent, Vietnamese law requires a mark to be famous, and not just well known, in order to become entitled to special statutory treatment as a well-known mark.

This inconsistency in the legal definition results in some arbitrary recognitions of well-known marks by the competent authorities. Moreover, the inconsistency poses difficulties to owners of well-known marks used to distinguish goods or services in more specific sectors (such as specialized medical equipment), where the trademarks are not likely to ever become well known to the average Vietnamese consumer.

The second issue to be addressed is the lack of determination in recognizing a mark as well known. In most enforcement cases, the enforcement bodies, despite their power, do not decide on the fame of a mark on their own. They often rely on the NOIP's assessment on the recognition and are unlikely to rule against the NOIP's opinion. In some cases, this may prevent brand owners from enforcing their legitimate rights.

It is hoped that, when the IP Law is amended next year, these issues will be addressed. The amended IP Law should clarify the concept of well-known marks to create favorable conditions for owners of a well-known brand within a relevant sector to enforce their rights. Based on the detailed regulations, brand owners can work out the appropriate strategy to establish the well-known status of their marks in order to get the upper hand on their competitors. 🐔