

VIETNAM



Tilleke & Gibbins
Hanoi

Loc Xuan Le

A turning point in domain name disputes?

October 3 witnessed an event of significant legal import in Vietnam that attracted the attention of many practitioners in the IP field, and especially those concerned with methods of resolving .vn domain name cases via administrative measures. This notable event was the forced revocation of the domain name Amway2u.vn by VNNIC, the state body administering domain names in Vietnam, after its initial resistance to do so. It was a groundbreaking success in application of coercive administrative measures in domain name disputes in Vietnam.

Obstacles in enforcing decisions via administrative measures

Vietnam is one of the fastest growing countries in Asia in terms of Internet usage, with the domain name field expanding in a corresponding fashion. The growth in the domain name area has, of course, also led to growth in domain name disputes.

In the case in question, Alticor, the parent company of Amway, and a world leader in direct selling in the home, beauty and healthcare markets, found itself face to face with a Vietnamese citizen who had registered, appropriated and used the domain name Amway2u.vn since 2011. Alticor is the legitimate owner of the trade mark Amway and device protected in Vietnam and also does business through its official website with the name Amway2u.com.vn.

The primary challenge in this case came not from determining whether the registration, appropriation and use of the domain name Amway2u.vn – similar to the protected Amway and device trade mark of Alticor – was a violation of Vietnamese law. This was an obvious case of cybersquatting, given the registration and use of the domain name in bad faith by the registrant. Rather, the difficulty arose in determining how the dispute resolution decision issued by the Inspectorate of the Ministry of Science and Technology (MOST) would be executed by the Vietnam domain

name management agency VNNIC, and the domain name registrar under the direction of this agency.

Will Amway2u.vn be a turning point?

Before the Amway2u.vn case, a number of similar domain name disputes had been resolved via administrative measures set forth in Decree Number 99/2013 and the earlier Decree Number 97/2010 (government-issued legislation guiding the sanctioning of administrative violations in industrial property). In many of the cases which had been resolved, the competent authority (the MOST Inspectorate) issued decisions mandating fines and the compulsory application of domain name revocation as a remedy measure. However, the revocation of domain names, from both a technical and legal perspective, was entirely the responsibility of a different agency, VNNIC, and VNNIC continually refused to carry out the revocation, arguing that there were no methods of domain name dispute resolution via administrative measures; such domain name dispute resolution was instead to be carried out in the form of court proceedings, mediation or arbitration as stipulated in Article 76 of the Law on Information Technology. This law, in fact, was drafted by the supervisory body of VNNIC – the Ministry of Information and Communication (MIC).

Unwilling to accept VNNIC's approach, Alticor lodged a complaint with the Minister of Information and Communication about VNNIC's failure to carry out the revocation of the domain name Amway2u.vn. The appeal triggered several inter-ministerial meetings as well as the involvement of the office of government on behalf of the prime minister. In these meetings, MIC and VNNIC came under fire for not abiding by Decree 99/2013. In the end, VNNIC and the MIC had to acknowledge the legitimacy of the domain name dispute resolution mechanism by administrative measures in addition to the mechanisms stipulated in the Law on Information Technology. They proceeded to revoke the domain name Amway2u.vn as requested, while giving Alticor a five-day sunrise period after the revocation with priority to register the domain name itself.

The successful retrieval of the disputed domain name in this case effectively removed the bottleneck in enforcing the rulings of administrative bodies such as MOST. Following the success of the case, it is hoped that VNNIC will

adhere to this practice in the future, carrying out administrative actions to deal with domain name disputes and cancelling disputed domain names upon request.

The resolution process in the Amway2u.vn case forced the functional agencies to tackle head-on, without further delay, the issue of building a coordination mechanism between them, to avoid similar situations in the future where owners are ready to appeal or sue to request enforcement of a valid legal decision. This case also shows that the era of subordinate agencies blindly obeying their superiors has passed, and an era of respecting the law may be arriving.

Tilleke & Gibbins advised Alticor in this case.