

Overview of IP Enforcement Strategies in Laos

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The key legislation governing intellectual property (IP) in Laos is the Law No. 01/NA of December 20, 2011, on Intellectual Property, as amended (IP Law). The current incarnation of the IP Law includes salient provisions on industrial property, new plant varieties, and copyright and related rights.

Although the IP Law was enacted more than three years ago, the stretch of time between then and now has had little effect on the competency of IP officers at the Department of Intellectual Property Rights (DIPR) in Laos—they remain relatively inexperienced, especially with regard to handling cases that involve IP infringement.

Brand owners with business interests in Laos must therefore maintain high levels of vigilance to prevent the infringement of their IP. This necessity is particularly more pronounced for Thai brand owners, as Laos is one of the largest consumers of Thai-branded goods in the world.

Given that brand owners must have an astute understanding of the IP Law in order to uphold their IP rights in Laos, this article will delve into the laws and procedures that brand owners must consider to prevent and manage the infringement of their IP.

TRADEMARKS

A trademark is categorized as industrial property and is defined as “any sign, or combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings,” which is to be used with “goods or services” and used to “distinguish between these goods or services and other goods or services.”

Pursuant to Article 57 of the IP Law, trademark owners have the right:

1. to prevent third parties from using identical or similar signs in the course of trade for goods or services which are identical, similar, or related to those in respect of which the trademark is registered, where such use would result in a likelihood of confusion;
2. to prevent the sale or advertisement of goods bearing the mark or the use of the mark in connection with services and the importation or export of goods bearing such a mark; and
3. to protect their rights under the laws and regulations against infringements by others, such as by instituting a court action, and the right to compensation from damages caused by others.

The infringement of a trademark, in violation of Article 57, by any measures specified therein, is an explicit criminal offense. Civil remedies are also available in cases of trademark infringement.

ADMINISTRATIVE REMEDIES

As the IP Law is new to the general public and Lao IP officers are relatively inexperienced, in practice, the DIPR rarely recommends criminal and/or civil actions as a means of a legal recourse. Instead, the DIPR recommends use of administrative remedies, which have become the most common measures employed by trademark owners against infringers that are juristic persons and/or persons who allocate counterfeit goods to markets or consumers.

To confuse matters, however, administrative remedies are not defined in the IP Law. They are simply mentioned in Article 127 of the IP Law, which states that trademark owners may opt for administrative remedies by requesting the Intellectual Property Administrative Authority (Authority) of the DIPR to take action on behalf of the owner to tackle the infringement.

In order to commence the process of obtaining an administrative remedy, trademark owners are required to submit the following documents to the Authority:

- a. A proposal letter that: (i) states the owner’s trademark and/or goods or services have been infringed on; (ii) describes how the trademark has been infringed on; and (iii) compares the genuine marks and/or goods or services with the infringing ones.
- b. A power of attorney from the trademark owner to the representative or agent (if any).
- c. Copies of the certificate of trademark registration of the infringed trademark.
- d. Photographs that make a comparison between the genuine goods, products, or trademarks and the infringing goods, products, or trademarks.

It is also worth noting that if a retail shop commits infringement by selling imitation products from an unidentified producer, the Authority will appoint a raid committee to plan and conduct the raids.

A raid committee is comprised of officers from the following organizations:

- a) Department of Intellectual Property:
 - i. Trademark Office
 - ii. Division of IP Dispute Resolution
- b) Office of Economic Police
- c) Ministry of Industry and Commerce
- d) Ministry of Health
- e) Department of Tax
- f) Department of Customs

In the case of shops committing infringement that are located in provinces outside of Vientiane, the DIPR will coordinate with the local authorities in that province to tackle the infringement. The local authorities of each Division will be appointed to orchestrate the raid in lieu of the central unit from the list above.



Photos of the raid actions and seized counterfeit monosodium glutamate

CASE STUDY: RAID ACTION TO SEIZE COUNTERFEIT MONOSODIUM GLUTAMATE

In 2014, Tilleke & Gibbins' IP enforcement team in Laos cooperated with the DIPR and various local authorities on behalf of a leading Thai seasoning powder company to carry out a series of raid actions over a period of one year against sellers of fake/imitation counterfeit monosodium glutamate bearing our client's trademark. The raids were conducted in Vientiane, Savannakhet, Kammuan, Salawan, Luangprabang, Udomxai, and Champasak—provinces where our client had discovered numerous products bearing fake/imitation trademarks. More than 10,000 bags of counterfeit monosodium glutamate were seized from local markets in these areas.

After the bags of counterfeit monosodium glutamate had been seized, they were sent for further destruction. No other pun-

ishment was imposed on the infringers, as first-time offenders are not penalized and this was the infringers' first known counterfeiting offense. If an infringer is a repeat offender, however, the Authority may consider imposing a fine by taking the case before the court to render punishment under Article 162 (revised), which states the following:

"Parties that violate intellectual property rights, counterfeit, deceive, fraud, or commit acts of unfair competition that result in damages against third parties will be imprisoned for a period between three months and two years and fined between LAK 500,000 and LAK 10,000,000."

In spite of this provision, in practice, the Authority only seizes counterfeit goods for further destruction and warns infringers to not repeat the offense. If the infringers are identified as repeat offenders in the Authority's record, the Authority may

use its discretion to fine the infringers at an amount not exceeding LAK 300,000.

The historically cooperative nature of the DIPR provides IP owners in Laos with good reason to feel confident that efforts will be made on the part of the government to stem the tide of counterfeit goods. Indeed, from 2013 to 2014, the DIPR successfully resolved trademark infringement cases for 12 different brand owners through the application of administrative remedies and raid actions. Once Lao IP officers develop further expertise by undergoing more rigorous IP enforcement training and the IP Law is clarified to a greater extent, brand owners with business interests in the country will feel more at ease with the prospect of challenging IP infringement and enforcing their rights. ■

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