

Tilleke & Gibbins

Intellectual Property in Laos

Registration

Protection

Commercialization



Overview

IP Rights

What is intellectual property?

Intellectual Property involves “creations of the mind,” according to the World Intellectual Property Organization. Examples of intellectual property include inventions, books, works of art, designs, symbols, and more. As businesses and technologies advance, new types of intellectual property are being recognized, such as geographical indications, sound trademarks, three-dimensional trademarks, and holograms.

Intellectual assets, as much as physical assets, hold the potential to generate profits for your business, as well as the risk of being stolen or unlawfully used by others. The full protection of your intellectual property rights is therefore an essential step to legally ensure that you can maximize the value of your IP.

This handbook is intended to provide you with a brief introduction to IP registration and commercialization in the Lao P.D.R. (Laos).

What are the main types of IP that can be protected in Laos?

The Law on Intellectual Property in Laos provides protection for:

- ▶ Trademarks and trade names
- ▶ Geographical indications
- ▶ Patents and petty patents
- ▶ Industrial designs
- ▶ Copyrights and related rights
- ▶ Trade secrets
- ▶ Layout designs of integrated circuits
- ▶ Plant varieties

In the following pages, we will review the key legal requirements related to trademarks, patents, petty patents (utility model), industrial designs, copyrights, and trade secrets, and we will summarize how you can enforce your IP rights in Laos.

Trademark

Definition

What is a trademark?

A trademark is a mark that is used on, or in connection with, goods or services for the purpose of indicating that they are the goods or services of the proprietor of the trademark, and that they are different from the goods or services bearing the trademarks of others. Trademarks help consumers to answer questions such as “who makes this product?” and “who provides this service?”

A trademark may include words (including personal names), letters, numerals, figurative elements, and combinations of colors, as well as or any combination of these items.

Protection

Do I need to register my trademark?

Trademark registration is not mandatory. But if you want to obtain the exclusive right to use/exploit your mark and to prevent your competitors from using it, you must register your rights to the trademark with the Lao Department of Intellectual Property.

At the international level, Laos acceded to the Madrid Protocol in December 2015, and the protocol entered into force in the country in March 2016. In pursuing a trademark registration under the Madrid Protocol, you may select the countries where you want your trademark to be protected, and the Lao Department of Intellectual Property will apply for registration of your mark, on your behalf, directly with the trademark office of each foreign country you designate.

Lao IP law also recognizes the rights of owners of unregistered trademarks. If you own an unregistered trademark, you will be entitled to take legal action against acts of unfair competition or against anyone who has passed off their goods as being yours, although it is much easier to initiate enforcement measures for a registered trademark. Moreover, well-known marks in a particular sector may be recognized on a case-by-case basis and may well be protected in Laos.

What types of marks can be registered?

Your trademark will be eligible for registration if it meets the following criteria:

- ▶ Your trademark is composed of a sign, or is a combination of several signs, which enable people to distinguish your goods and services from those of another;
- ▶ Your trademark is not identical to a previously registered trademark, a well-known trademark, or a geographical indication for the same goods or services;
- ▶ Your trademark is not similar to a previously registered or well-known trademark for the same and/or similar and/or related goods and services, which may cause misunderstanding about the origins of the goods or services, or mislead the consuming public into believing that such goods or services are connected or associated with another party; and
- ▶ Your mark must not be forbidden under Lao IP law. For example, a mark that consists of the name or image of a national hero, national emblems, or abbreviations or full names of towns, municipalities, provinces, or the capital of Laos or foreign countries are not eligible for registration.

How long does registration take?

For a straightforward case, a Certificate of Trademark Registration is usually granted within 12-18 months from the date when you submit your application.

How long will my trademark registration last?

Your trademark registration is valid for a period of 10 years from the date of registration (or from the priority date, if any). The registered mark may be renewed every 10 years with the Lao Department of Intellectual Property, and there is no limit to the number of times you can renew your mark.

Your renewal application must be submitted within 12 months prior to the expiration date.

Will my mark be cancelled if I don't use it in Laos?

According to Lao IP law, any third party may file a request with the Department of Intellectual Property to cancel the registration of your trademark. To do so, the request must be supported by evidence proving that:

- ▶ Your trademark has not been used for at least five consecutive years; or
- ▶ You have not genuinely used your trademark and/or the trademark has not been used in good faith.

If a third party requests cancellation of your trademark, you will be entitled to justify your non-use of the trademark.

Can my trademark be licensed in Laos?

You may grant another individual or entity a license to exploit all or part of your trademark rights. A trademark license agreement must be made in writing and registered with the Lao Department of Intellectual Property to be enforceable against a third party.

Are well-known marks protected in Laos?

According to Lao IP law, a well-known mark is a mark widely recognized by its relevant sector within Laos.

Lao IP law prohibits registration of a trademark that is identical and/or similar to a well-known mark. In addition, if you own an unregistered well-known trademark, you are subject to the same regime as that for registered trademarks, and therefore you are entitled to prevent any third party from using similar marks.

What are the criteria for a well-known mark in Laos?

A well-known mark is defined according the following characteristics:

- ▶ The reputation and recognition of the mark among consumers in relevant sectors by way of trade, use of the trademark in connection with goods or services bearing the mark, or through advertising;

- ▶ Wide distribution or circulation of the goods or services bearing the trademark in Laos;
- ▶ The quantity of goods sold or services provided;
- ▶ Duration of continuous use of the trademark;
- ▶ Reputation of the goods or services bearing the trademark among consumers; and
- ▶ High value of investment in the trademark.

Patent

Definition

What can be protected under Lao IP law?

There are two types of protection for technical inventions under Lao IP law:

- ▶ **Patents** – A patent is a certificate granted to the owner of an invention. As a patent owner, you have the right to prevent others from exploiting your invention without your permission. According to Lao IP law, an invention is a “technical solution to create a new product or a process of production to resolve a specific problem.”
- ▶ **Petty patent (utility model)** – Protection of a petty patent in Laos relies on a certificate issued to an IP owner to safeguard their rights to a “utility innovation,” which is a “new innovative work derived through technical improvements” and “involves simpler steps than with inventions.”

Protection

What are the requirements to obtain protection for protect my patent or petty patent?

The law qualifies a patentable invention or innovation with the following characteristics:

- ▶ **New** – Your invention or innovation must not be disclosed to the public in any manner or used by any means anywhere else in the world prior to filing the application in Laos or before the publication date of the first-filed application.

- ▶ ***Inventive step*** – Your inventive step must not be obvious to a person with ordinary skills in the concerned field. The degree of inventiveness may be lesser for a petty patent than for a patent.
- ▶ ***Industrial application*** – Your invention must eventually be applicable in some industry.

Are there any types of inventions or innovations that cannot be patented or petty patented?

The following categories are excluded from patentability under Lao IP law:

- ▶ Discoveries of existing things, including living organisms or parts of living organisms;
- ▶ Treatment and/or cure of humans or animals by way of diagnostic, therapeutic, and/or surgical means;
- ▶ Scientific principles/theories and mathematical formulas/rules/principles for doing business or playing games; and
- ▶ Plants and animals, other than microorganisms, and any biological processes for the production of plants or animal.

A patent or petty patent may be refused for the following reasons:

- ▶ The protection of culture, traditions, human, animal, or plant life or health, as well as avoidance of adverse impact to the environment; or
- ▶ The protection of public order in Laos.

Is patent or petty patent registration mandatory?

Patent or petty patent registration is not mandatory. Unlike trademarks, however, in order to have exclusive rights over an invention or an innovation, you need to file an application for registration with the Lao Department of Intellectual Property.

What is the scope of protection for my patent or petty patent?

After examination of your application, if your invention or innovation meets the requirements for patentability, the Lao Department of Intellectual Property will issue you with a patent certificate and will then register your patent or petty patent and publish that notice of that registration in the official industrial property gazette. The issuance of the certificate acknowledges you as the holder of the exclusive rights to exploit and protect your invention or innovation in Laos, as stated in the IP law below:

- ▶ To enjoy the benefits derived from the exploitation of the industrial property;
- ▶ To authorize another person to exploit all or part of your rights;
- ▶ To transfer fully or partially your industrial property by will, sale exchange, rent, or assignment; and
- ▶ To take legal action to protect your rights in your invention or innovation from infringers.

How long does a patent or petty patent registration last?

The term is 20 years from the date of filing for a patent and 10 years from the date of filing for a petty patent.

How long does registration take?

The registration of a patent usually takes 50 months from the date of filing, and 12 months for the issuance of a petty patent.

How can I maintain my granted rights?

In order to maintain the terms of protection, you must pay annual fees in advance.

Can my patent or petty patent be licensed in Laos?

You may grant another individual or entity a license to exploit all or part of your patent or petty patent rights. The license agreement must be made in writing and registered with the Lao Department of Intellectual Property in order for it to be enforceable against a third party.

Industrial Design

Definition

What is an industrial design?

Under Lao IP law, an industrial design is “the form or shape of the product, which is to be created and includes patterns, lines, colors, etc., thereof.”

Protection

What are the requirements to protect my design?

In order to qualify for protection, your industrial design must satisfy two key criteria:

- ▶ **New** – Your design must never have been disclosed to the public, by way of publication, use, or display, whether in Laos or elsewhere in the world, prior to the date on which you file your application in Laos;
- ▶ **Ornamental** – The ornamental qualities of your industrial design must display a “special appearance of the object to which the design is applied or in which it is embodied.”

Are there any types of designs that cannot be registered?

Your design is ineligible for industrial design registration if it falls into one of the following two categories:

- ▶ Its appearance is dictated by the technical features of the object to which the design is applied or in which it is embodied; or
- ▶ It disregards traditions and/or disturbs the social order of Laos.

Is industrial design registration mandatory?

Industrial design registration is not mandatory, but it is required if you wish to protect your designs. The Lao Department of Intellectual Property is the competent authority to examine your application for registration.

What is the scope of protection for my design?

An industrial design certificate grants you the exclusive right to exploit and protect your design. You may prevent other persons or entities from manufacturing, making, utilizing, trading, circulating, importing, exporting, and/or distributing your protected design.

How long does registration take?

The registration process for an industrial design may take 6-12 months from the date of filing.

How long does an industrial design registration last?

Once registration is granted, your industrial design will be protected for 15 years from the filing date of your application.

How can I maintain my granted certificate?

In order to maintain the terms of protection, you must pay fees every five years in advance.

Can my industrial design be licensed in Laos?

You may grant another individual or entity the rights to exploit all or part of your industrial design. The license agreement must be made in writing and registered with the Lao Department of Intellectual Property to be enforceable against a third party.

Copyright

Definition

What is a copyright?

Copyright means the exclusive right of an author or a copyright holder to publish or reproduce their creative works. Copyright in Laos covers works, as stated in the IP law, in the artistic, literary, and scientific domains, including computer programs. Lao regulations also cover related rights, which include works of performers, producers, phonograms, and broadcasting organizations.

Copyright and related rights grant protection over creative works, as ideas by themselves cannot be protected.

Derivative works, based on preexisting works and meeting the legal qualifications, are protected as original works without infringing copyrighted works. Derivative works include those works shaped upon an already existing work and cover translation, adaptation, arrangement of music, modification, transformation, interpretation, and other adjustment or transformation of a work under copyright regime.

Are there any types of works that cannot be eligible for copyright protection?

Under Lao IP law, the following works are excluded from copyright protection:

- ▶ News of the day or miscellaneous facts;

- ▶ Ideas or procedures, methods of operation, or mathematical concepts; and
- ▶ Official text emanating from an official body and translation of such text.

Protection

How are copyrights and related rights protected in Laos?

As a copyright owner, you hold exclusive moral rights over your work for the following purposes:

- ▶ To disclose and/or publish your work for the first time;
- ▶ To have recognition as the author and the right to object to any misattribution;
- ▶ To have your name displayed and acknowledged in relation to your work;
- ▶ To use a pseudonym or anonymously publish your work;
- ▶ To contest the use of your name with a work that you did not partake in or did not modify; and
- ▶ To object to any distortion or mutilation of the work or action that could be prejudicial to your honor or integrity.

When you own your copyright, you may enjoy the following rights, as well:

- ▶ To reproduce in any manner and distribute copies of your works;
- ▶ To translate such works;
- ▶ To broadcast or circulate such works to the public by wired or wireless methods; and
- ▶ To promote the broadcast of your work, by way of signs, sounds, or images.

Do I need to register my copyright?

Copyrights or related rights do not need registration to be protected. But you can record a notification with the Lao Department of Intellectual Property to document your copyrighted work and to show evidence of your ownership over it. This process may assist in proving your ownership rights in case there is any violation or dispute over your copyrighted work.

How long do copyrights and related rights last?

In principle, copyrights and related rights protection lasts 50 years after the death of the author.

Are there limitations and/or exceptions to copyright?

The protection of copyrighted work is limited by the fair use of third parties, as described in Lao IP law. As long as those acts comply with certain legal conditions, they may be lawfully conducted without prior permission from the author. For example, in the case where a protected literary or artistic work is used as a resource for teaching purposes, the consent of the author is not required.

This exception to the overall protection of copyright is legal, on the understanding that the fair use rules should neither impede the normal exploitation of the work nor unreasonably prejudice the legitimate interests of the author.

Trade Secret

Definition

What is a trade secret?

A trade secret is information that is important to your business or company and is not known and not easily accessible to the public. A trade secret must also confer on its holder some form of economic benefit or advantage, and the controller of such information must take reasonable efforts to maintain its secrecy.

In Laos, a trade secret is defined under IP law as “information which is secret in the sense that it is not known among or readily accessible to persons within the circles that normally deal with the kind of information in question, such as: formula, production process, or any information which has commercial value because it is secret.” Lao IP law further provides the conditions for having information interpreted as a trade secret. Accordingly, the information must:

- ▶ Be secret and known only to a limited circle of persons;
- ▶ Have commercial value; and
- ▶ Be subject to specific actions from the proprietor of such information to keep the information secret.

What are my trade secret rights?

As the owner of a trade secret, you may disclose, use, and permit others to use your trade secret, as well as prevent others from doing so without your permission. In the same vein, you can trigger an action before the Court of Justice, where you can ask for compensation from damages caused by the leak of the trade

secret or for assistance in preventing individuals or legal entities from misappropriating the trade secret. As you are the owner, you can disclose, withdraw, or use the trade secret or transfer it to another person for their disclosure, withdrawal, or use, by defining the contents and requirements of keeping the trade secret confidential.

Protection

How can I protect my trade secret in Laos?

Under Lao IP law, you are exempt from the obligation of registration and are entitled to protect your trade secret without registering it. To protect the confidentiality of such information, you may disclose, disseminate, or provide access to such information to only a very limited number of people. Another option is to use a nondisclosure agreement that would legally guarantee discretion regarding the information to be protected, as described within the covenant.

How long will my trade secret protection last?

Trade secrets are protected for an unlimited period of time, as long as they remain secret.

Are there exceptions to infringement claims?

The following acts are not considered infringement of a trade secret:

- ▶ Reverse engineering or laboratory testing; or
- ▶ When an individual obtains certain confidential information that was not covered by an obligation of secrecy or trust.

Enforcement

Infringement

How can I enforce my intellectual property rights in Laos?

Upon discovery of evidence that proves activities which infringe on intellectual property rights, you, as an IP owner, or your legal representatives, may file civil or criminal charges against an infringer by filing a complaint in the Lao People's Court. Infringers that violate your IP rights are liable for the damages they have caused. In addition to civil measures, criminal measures can be taken against infringers.

Penalties

What civil and criminal sanctions are applied to IP infringers?

According to the IP law, any individual, legal entity, or organization that intentionally violates the law can be fined from 1 percent to 5 percent of the total value of the damages that have occurred. In addition, those committing acts of counterfeiting, deception, fraud, or unfair competition may be subject to imprisonment from three months to two years and a fine from LAK 500,000 (approximately USD 60 based on February 2017 exchange rates) to LAK 10 million (approximately USD 1220). The IP law also provides provisional measures by way of court order, depending on the urgency and seriousness of an infringement and taking into account that any delay would cause irreparable harm to the IP owner.

Additional legal measures may be taken. These measures allow for a judge to suspend or withdraw business licenses, and the counterfeit goods or the equipment involved in the infringement may be seized.

Mediation

Are there other options for enforcing my IP rights?

Pursuing a legal remedy through the courts can be costly and time consuming. Before resorting to this option, you may wish to rely on the administrative remedies that are available under Lao IP law. You can file a complaint with the Lao Department of Intellectual Property, which will then act as an intermediary and a mediator between the infringer and you. In our experience, IP owners often find this administrative process helpful in delivering satisfactory and timely decisions to stop further infringement. If the infringement does not cease, you may consider asking the Lao DIP for permission to conduct a raid action in order to legally seize the infringing counterfeit goods in shops and/or marketplaces.

Intellectual Asset Management

IAM Program

How can I make the best use of my IP?

We recommend that you put in place an Intellectual Asset Management Program (**IAM program**). An IAM program is designed to help your company establish systems and business processes that will enable you to manage your intellectual property as creatively and as efficiently as possible, so that you can spend more time managing your other assets. Tilleke & Gibbins' IAM program will help you:

- ▶ Maximize the value of your company's IP; and
- ▶ Derive a competitive advantage from your IP, and ultimately, increase your company's value.

What does an IAM program involve?

Often, large companies that are proceeding with their own internal IAM programs, particularly after acquisition of new portfolios or under the terms of a licensing transaction, will call on their external IP lawyers to assist them in setting up the necessary structures. Our IAM programs are made up of specific modules.

Companies decide, usually through discussions with our firm, which particular modules will be of the most relevance and of the most benefit to them. In summary, the key drivers for IAM programs are:

- ▶ The identification and recordal of IP, both registered and unregistered, and the strengthening of legal title to these rights, both in Laos and elsewhere;
- ▶ The monitoring of third-party activities for actions that could negatively impact your business;
- ▶ The development of systems to ensure that IP is relevant to your business, that it is properly protected and managed, and that maximum commercial advantage is being derived from it; and
- ▶ The minimization of costs and risks associated with the acquisition, use and misuse of IP.

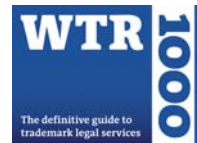
Tilleke & Gibbins

About

Tilleke & Gibbins has a leading Southeast Asia intellectual property practice. From our offices in Bangkok, Hanoi, Ho Chi Minh City, Jakarta, Phnom Penh, Vientiane, and Yangon, we help creators strategically position, protect, and profit from their valuable intellectual assets.

Our Vientiane office represents clients across the full range of intellectual property matters in Laos. Through our on-the-ground team, we deliver the highest standards of efficiency, while ensuring that you receive the same level of high-quality IP services you have come to expect from Tilleke & Gibbins.

Tilleke & Gibbins' success on our clients' behalf has led to global recognition of our firm as an IP leader by prominent publications such as *Chambers Asia-Pacific*, *The Legal 500 Asia Pacific*, *Managing Intellectual Property*, *World Trademark Review*, *Asialaw Profiles*, *Asia IP*, *Asian Legal Business*, and others.



Tilleke & Gibbins

Contact

To learn more about how we can help you position, protect, and profit from your intellectual assets, please contact:

Darani Vachanavuttivong

Co-Managing Partner and
Managing Director, Intellectual Property
darani.v@tilleke.com

bangkok | hanoi | ho chi minh city | jakarta | phnom penh | vientiane | yangon

Tilleke & Gibbins Lao Co., Ltd.

No. 302/1B, 3rd Floor, Vieng Vang Tower
Unit 15 Boulichan Road Dongpala Thong Village
Sisattanak District, Vientiane
Laos
E: lao@tilleke.com

www.tilleke.com

© 2017 Tilleke & Gibbins Lao Co., Ltd.

www.tilleke.com