

## New Law Reforms Lao Intellectual Property Regime

**Dino Santaniello**  
[dino.s@tilleke.com](mailto:dino.s@tilleke.com)

On May 25, 2018, the new Law on Intellectual Property No. 38/NA, dated November 15, 2017 (the "New IP Law"), was officially published on the electronic Lao official gazette. The New IP Law will be effective 15 days after its publication. The New IP Law replaces the Law on Intellectual Property No. 01/NA, dated December 20, 2011.

The New IP Law aims to provide the Lao government with a means to provide support for trade and investment, and the capacity to compete according to the rules and mechanisms of a modern market economy. This approach endeavors to move the country towards the ASEAN single market economy. Intellectual property protection system has become a real tool for economic development, trade, and investment, and research and development of innovation. Additionally, local authorities wish to promote local products by means of trusted brands or labels, such as geographical indications, which would enable these products to penetrate foreign markets, and to provide further international exposure to Laos. The government seeks to support the development of SMEs, which remain a priority for more sustainable growth within the country. The New IP Law is part of the Lao government's plans to diversify its economy, which presently relies too much on natural resources (hydro-power plants, timber, mining, etc.).

Further regulatory provisions related to the New IP Law will certainly support and provide clarification on procedures (administrative remedies, Customs recordal, etc.), while focusing on specific issues of concern (online infringement) that the authorities are endeavor to tackle in the country.

We set out some of the main amendments of the New IP Law below.

### **Trademarks**

#### Registerable Trademarks

Formerly, the law on intellectual property provided that words (including personal names), letters, numerals, packaging of goods, figurative elements, and combinations of colors, as well as any combination of these items, could be registered as trademarks. The New IP Law now provides that 3D images and animated images can be registered as trademarks as well.

## Opposition

The New IP Law introduces an opposition procedure. Previously, when a trademark owner registered his/her trademark, there was no publication procedure available to inform and allow interested third parties to file an opposition if they considered a mark to be confusingly similar to theirs. The only possibility was to file a cancellation request with the Department of Intellectual Property (DIP), once the trademark certificate was issued and the trademark was registered with the DIP. Previously, a cancellation action was only possible if initiated within five years as of the date of publication of the registered trademark in the official gazette.

Previously, delays in publishing a mark in the official gazette were the norm, and sometimes it took quite a few years before the official gazette actually published a mark, which rendered any action for cancellation very untimely. By the time a mark would have been published and then vulnerable to cancellation, the first trademark applicant could have invested money and time in the promotion and development of its brand. The New IP Law adds the possibility of a third party opposing the registration of a trademark within 60 days of the publication date of the trademark. The publication will become effective once the DIP confirms that the minimum required documents to register a trademark have been filed and are in order.

A digital platform will be created and will publish and notify third parties of the submission of a new trademark application. Third parties can oppose the trademark registration within 60 days of the publication date. Publication will occur once the preliminary examination is successful. The preliminary examination will consider the minimum required documents, along with the official application form (official form, specimen, and receipt evidencing payment of any official fees).

## Term of Protection

Under the former law, a trademark registration was valid for a period of 10 years from the date of registration. The New IP Law provides that trademark registration will be valid for a period of 10 years from the filing date.

## **Patent/Petty Patent**

There is no major change to the framework for patent and petty patent registration. With regard to patent or petty patent, the Lao authorities seem to take a stricter approach. In the former law, those patents or petty patents deemed to pose a threat to the public order or good morals of society, or to public health or the environment, or to the stability of the country, might have been refused or their exploitation limited. However, the New IP Law provides that patents and petty patents that may pose a threat, as mentioned above, will be refused.

Similar to trademarks, it is now possible to oppose the registration of patents or petty patents. Once the preliminary examination has been satisfied, third parties will be notified of

the application filed with the DIP through publication and will have 90 days, as from the date of the notification, to oppose to registration of the patent or petty patent.

### **Industrial Design and Layout Design of Integrated Circuits**

There are no major amendments. However, an opposition procedure is now in place. Once a preliminary examination has been satisfactorily completed, third parties will be notified that an application has been filed with the Department of Intellectual Property, and will have 60 days, as from the date of publication, to oppose the registration of the industrial design or layout design of integrated circuits.

### **New Plant Varieties**

During the public hearings to gather opinions and comments about the changes to the New IP Law, the authorities emphasized the importance of new plant varieties. Laos is interested in joining the International Union for the Protection of Plant Varieties (UPOV) as a next step, and as such, many of the revisions to the New IP Law focused on certain UPOV requirements.

#### Distinctiveness

According to the standards of the UPOV Convention, the registration of a new plant variety shall meet all the following requirements:

1. new;
2. distinct;
3. uniform; and
4. stable;

With regard to distinctiveness, the variety shall be deemed to be distinct if it is clearly distinguishable from any other variety whose existence is a matter of common knowledge at the time of filing the application. The New IP Law provides that a plant variety, which has been already registered abroad, will be considered as being of common knowledge; therefore, certain previously known plant varieties will not fulfill the distinctiveness requirement to be registered in Laos.

#### Priority Date

In the former law on IP, Laos provided for priority right claims, but only for those plants registered in other countries. With the New IP Law, Laos recognizes the possibility of registering a new plant variety through an intergovernmental organization. Accordingly, any breeder, who has duly filed an application for protection of a variety in a country or through an organization that is a signatory to an international treaty of which Laos is also a member, enjoys a right of priority for a period of 12 months. This period shall be calculated from the date the first application was filed and will take into consideration the filing date of the application. The purpose of the claiming priority right is to allow the same plant variety to be registered in Laos as in said country or organization. In addition to this, if the registration was made in a country or through an organization that is not a member of an international

treaty of which Laos is a member, Laos will grant priority right only when said country/organization also provides the right to claim priority to plant variety breeders from Laos.

### Registration

The Ministry of Science and Technology will proceed with a preliminary examination. If the preliminary examination succeeds, the application will proceed with publication, including its abstract, in the official gazette. As from this publication date, third parties have right to oppose the registration of this new plant variety. This is a new right that was not provided in the former law on IP.

Once the preliminary examination is satisfied, third parties will be notified of the application as filed with the Department of Intellectual Property (which is the main authority for intellectual property asset registration), and will have 60 days, as from the date of the publication, to oppose the registration of the new plant variety.

### Scope of Breeder's Rights

In this area, the New IP Law also tries to bring its framework in line with the UPOV Convention. According to the former law, a breeder of a registered and protected plant variety needed authorization for (i) production or reproduction, (ii) conditioning for the purpose of propagation, (iii) offering for sale, (iv) selling or other marketing, (v) exporting, (vi) importing, (vii) stocking for any of the purposes mentioned in (i) to (vi) above.

Under the New IP Law, item (i) also encompasses the multiplication of the plant variety. In addition, authorization will now also be required for derived varieties, which may be obtained, for example, by the selection of a natural or induced mutant variation, or of a somaclonal variation, or the selection of a individual variation from plants of the initial variety, or transformation by genetic engineering.

## **Copyright**

### Person/Legal Entity Eligible for Protection

Broadcasters and broadcasting organizations that initiated and made radio broadcasts, image broadcasts or sound and image broadcasts are still eligible for protection under the New IP Law; however, the new law states that these broadcasts can be conducted by hardwire or by wireless transmission in order to include every type of broadcast, whatever technology is used.

## **Dispute Resolution**

## Administrative Remedy

According to the former law, parties to a dispute relating to intellectual property could request the intellectual property administration authority to settle the dispute. This provision designated a wide range of powers to the local authorities, as the provision remained broad and general. Basically, any party to a matter could file a complaint with the relevant authority, whenever they deemed their rights had been infringed. This was extensively used to trigger mediation procedures, but also raid actions and the seizing of counterfeit goods at shops or at warehouses or factories producing fake products. In the New IP Law, administrative remedies will focus only on the resolution of disputes related to the registration of industrial property rights, new plant varieties, copyright and related rights.

## Criminal Offense

The New IP Law simplifies the grounds on which a criminal offense can be substantiated, according to the types of rights, products, or infringement levels. Formerly, criminal offense could be substantiated under different requirement, depending on the products and the rights subject to the infringement we would need to substantiate that the violation was intentional and for a commercial purpose; or intentionally made resulting in harm to the health of a person, damage to the environment, or damage to property; or only intentionally perpetrated (copyright piracy or trademark counterfeiting). The New IP Law requires that the offense be intentional only.

## **Customs**

This is certainly an area of the New IP Law where further details and more specific provisions will be implemented through additional regulations. However, although implied in the former law on IP, the New IP Law provides explicitly that Customs officers can act ex-officio to inspect those goods exported and imported, and to seize and impound goods that infringe trademark, copyright, and related rights.

## **Conclusion**

The New IP Law does not bring major changes; however, it is moving IP law closer to a regulatory framework in line with international standards. Third parties are provided with fuller rights to protect their intellectual property rights through the New IP Law. Also, it is no surprise to see the importance given to new plant varieties, when we know that most of the Lao economy relies on the agriculture sector.

The Lao authorities are already anticipating regulations soon to be issued to support the smooth implementation of the New IP Law. As such, we understand that new plant varieties will be subject to another regulatory framework, which will be more technical and less general. Trademarks will also be under dedicated regulations, as will Customs later on. It is important to note is that administrative remedies will now be circumscribed to limited types of action, since they will only concern issues of registration regarding industrial property rights, new plant varieties, copyright, and related rights. This could signal a major

shift in intellectual property strategies for intellectual property owners in Laos. Additionally, it could be that matters that were previously handled solely through the administrative remedy process may now be handled directly by the Lao People's Court, which would bring another degree of legitimacy regarding judicial decisions on intellectual property rights in Laos. This will certainly be subject to further regulation in order to clarify these new responsibilities vested in the courts of Laos.

We believe that there will be also a time of transition in order to have all the above provision in force, such as the opposition procedure, since this involves also the development of other infrastructure and the training of the officers to take into consideration these new processes.

If you have any queries about the New IP Law, or about protecting intellectual property in Laos in general, please contact Dino Santaniello on +856 21 262 355, or at [dino.s@tilleke.com](mailto:dino.s@tilleke.com).

This summary is designed to provide general information only and is not offered as specific advice on any particular matter.

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

[www.tilleke.com](http://www.tilleke.com)