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Letter from the President

Dear Members,

Spring is in the air, and this year our Spring Event was an evening of Go-Kart Racing at Kai Tak which took place on 17 April 2002. More than 30 people signed up for the event, and a full report appears further in this newsletter.

In March, the Institute co-hosted a cocktail reception with the Law Society and the APAA for the APEC delegates who came to Hong Kong to attend the APEC Symposium on Traditional Medicine organized by the IPD. There was an excellent turnout at the cocktail reception.

I was invited to moderate the session on the IP Aspects of Traditional Medicine of the APEC Symposium and saw many of you there. The Symposium has helped raise awareness amongst legal professionals as well as researchers in the area of bio-technology of the importance of respecting and making available indigenous knowledge and at the same time the need to share the benefits arising from the use of such indigenous knowledge.

Our next regular bi-annual meeting with the IPD is scheduled to be held in May. A few days ago, I had sent you all an email on the IPD's proposal to introduce a scale for award of costs in contentious proceedings before the Registrar. Please let me have your views on this as it is one of the matters that will be discussed at the meeting. Please also let me know if there is anything else that you wish me to raise or bring to the attention of the IPD at the meeting.



We have recently written to the IPD seeking clarification on their recent policy of objecting to applications on the basis of lack of intention to use the mark on all goods and services claimed and/or trafficking of marks. I would welcome any observations, comments or views on this from our membership.

As you know, the IPD is still following the Seventh Edition of the WIPO classification of goods and services. It is the Institute's view that the Government should bring in the Eighth Edition as soon as possible and to this end, we have prepared and submitted draft amendments to the Trade Marks Rules to facilitate the introduction of the Eighth Edition.

We will shortly be circulating a questionnaire to solicit your views on whether or not you believe that Hong Kong should introduce laws on unfair competition. Please kindly let us have your views on this.

Finally, I would like to report that the Education Sub-Committee had been very busy over the last few months setting the exams and marking the papers for the Diploma course on Trade Marks Law and Practice in Hong Kong. The external examiner in the U.K. has completed her review of the exam papers and S.P.A.C.E. will shortly be announcing the exam results. Year 2 of the Diploma course will commence later this month. May I take this opportunity to thank Sandra Gibbons, Chairperson of the Education Sub-Committee, and Graeme Hall and Henry Wheare, members of the Education Sub-Committee for all their hard work. I would also like to thank all members who lectured on the course.

Yours sincerely,

*Peggy Cheung
President*



Education Programme

As mentioned in the President's letter, the first year exams of the Diploma course that the Institute is running in conjunction with SPACE were sat by the students in January. All the papers have been marked and reviewed by the external examiner, and students will be receiving their results shortly. Year 2 of the course will begin on Thursday January 25 2002.

Institute GP 2002

35 enthusiastic members of the Institute and their guests took part in the go-kart evening on Wednesday April 17. The speed king was Justin Davidson of Freshfields who won the event, with Michael Flint and Magnus Hirsch second and third respectively. Congratulations to them, to the organisers and all who took part!

Laos - Amendments to the Trade Mark Law

From 1 May 2002 onwards, it will no longer be possible to file multiple class applications in Laos. In addition, renewal of trade marks must be made on a class-by-class basis.

Government fees charged by the Laos Department of Intellectual Property have also been increased for assignment, licensing and change of name/address recordals.

The Laos Department of Intellectual Property has been following the 8th Edition of the Nice International Classification of Goods and Services since 1 January 2002, including the expansion to 45 classes of goods and services.

Lindsay Esler, Deacons

Foreign News



MACEDONIA

The Macedonian parliament passed a law for the ratification of the Madrid Protocol on 23 January 2002 and it is expected that Macedonia will become a party to the Protocol in the near future.

CAMBODIA

A new Trade Mark Law was passed late last year and new patent and copyright laws are expected to follow.

PRC

It is now possible to obtain preliminary relief prior to litigation under the " Interpretation on Questions Concerning the Application of Law to Pre-litigation Injunctions to Cease Infringement of the Exclusive Rights of a Registered Trade Mark and to the Pre-litigation Preservation of Evidence "

The PRC has recently issued a replacement set of Measures for Registration of Copyright in Computer Software. The requirement under the previous version of the measures that computer software had to be registered before proceedings for infringement could be initiated has been removed. However, registration is encouraged for the priority protection that the Measures are to give to registered software as well the bestowing of tax advantages upon software enterprises which register their software.

SINGAPORE

It is now possible to file trade mark applications online. 24 hours a day, 7 days a week. Details can be found at

<http://www.ipos.gov.sg/service/etrademarks.html>

COLOMBIA



Colombia became a party to the World Intellectual Property Organisation's Copyright Treaty and is already a party to the World Intellectual Property Organization's Performances and Phonograms Treaty, the objectives of which are the protection of copyright on the Internet.

UNITED ARAB EMIRATES

The Ministry of Commerce issued resolution for the adoption of the new International Classification of goods and services, bringing the total to 45 classes.

NIGERIA

Nigeria is proposing to establish an Intellectual Property Commission which is intended to administer all laws relating to intellectual property. Under the proposal, the Trademarks Registry, the Patents and Designs Registry and the National Copyright Commission would cease to exist.

Compiled by Davina Lee, Bird & Bird



Vietnam Intellectual Property Update

The Vietnam – United States Bilateral Trade Agreement (“the BTA”) came into effect on 10 December 2001. Pursuant to the BTA Vietnam has agreed to reform its intellectual property laws and accede to a number of international conventions with respect to intellectual property. Apart from compliance with the BTA the objective of these reforms is to achieve TRIPS compliance and smooth the transition to membership of the World Trade Organisation for Vietnam.

The reforms with respect to intellectual property laws have a phase in period ranging from 10 December 2001 to 10 June 2004. Vietnam has agreed to give immediate effect (as of 10 December 2001) to its obligations under the BTA to the extent that is possible under its existing intellectual property laws. As a general principle, the terms of international treaties, once ratified, have the force of law without the need to enact domestic legislation. Although this means that the terms of the Paris Convention, the US – Vietnam Copyright Agreement and the BTA are enforceable as laws in Vietnam, the absence of specific implementing regulations limits the effectiveness of such laws in practice.

In the first four months following the entry into force of the BTA, the Vietnamese government has prepared a number of significant new draft laws and implementing regulations designed to implement its commitments with respect to intellectual property laws. Some of the regulations also signal an effort by the government to improve the enforcement of existing intellectual property laws. This update provides a brief overview of the relevant legislation.

Although not a commitment under the BTA, Vietnam is intending to also accede to the Trademark Law Treaty, Geneva 27 October 1994 (“Trademark Law Treaty”) and has prepared a draft Circular to replace Circular 3055. This draft Circular provides for the registration of three dimensional trademarks, simplification of the procedures for recording change of details and removing the requirement to have licences and assignments approved by the Ministry of Science, Technology and Environment (“MOSTE”).

Copyright

In Vietnam, the Copyright Office is part of the Ministry of Culture and Information, which has responsibility for the management of the press, films, publications, exhibitions, performances, advertisements and copyright. Decree 31 sets out the administrative penalties for violations of regulations in all of these areas.

In respect of copyright, this Decree provides for penalties of VND 1-3,000,000 (USD \$66 – \$200) for duplicating films, videos or discs for business without the consent of the copyright owner. The penalties increase to VND 20-40,000,000 (USD \$133 - \$266) for copying computer software



without the consent of the copyright owner. In the case of copying software, the equipment used to make the copies can also be confiscated. Criminal sanctions also apply to copyright infringements in circumstances where the infringement results in “serious consequences” or the infringer is a recidivist.

To our knowledge, there have been only three copyright cases brought to the Courts by Vietnamese copyright owners and none by foreign copyright owners to enforce their rights. As a result, the application in practice of both administrative and criminal penalties in respect of copyright infringement remains relatively untested. This may be due in part to the absence previously of any regulations defining the administrative penalties and providing guidance on the implementation of Decree 76. Decree 31 and Circular 27 now address the issues of administrative penalties and limited guidance on implementation respectively. Of the three Vietnamese cases, two were brought by musicians, both of whom were successful, one for infringement and the other for the non-payment of royalties.

Currently, only the US and Switzerland have entered bilateral agreements with Vietnam for the reciprocal protection of copyright works. However, the BTA provides that Vietnam is to accede to the Berne Convention by 10 December 2003 and in the interim to promptly give effect to substantive provisions of that Convention.

Circular 27 provides a definition of works that are protected in Vietnam, which includes works of foreigners protected pursuant to international agreements signed or acceded to by Vietnam, and a definition of when works will be considered first published in Vietnam. Apart from the works of US and Swiss authors or owners, only the works of foreign nationals that have been first published⁵ in Vietnam are afforded copyright protection in Vietnam.

Given the recent ratification of the BTA, the consequent reform of intellectual property laws and the promulgation of further implementing regulations, the environment for the enforcement of copyright in Vietnam is continually improving.

The publication by the People’s Supreme Court of IM Circular 01 providing some detail of the procedures for bringing copyright disputes to the Courts evidences that improving environment. IM Circular 01 expressly provides for the resolution of copyright disputes brought by foreign authors and owners.

Plant Varieties



Pursuant to the BTA, Vietnam has agreed to accede to the International Convention for the Protection of New Varieties of Plants 1991 (“UPOV Convention”) by 10 December 2003. Decree 13 represents significant progress towards that accession in that it provides the legal framework necessary to protect New Plant Varieties pursuant to the UPOV.

Decree 13 sets out the procedures for applying for protection titles in respect of New Plant Varieties. Article 4 provides that in order to be protected New Plant Varieties must be:

- *On the list of protected plants published by the Ministry of Agriculture and Rural Development;*
- *Uniform;*
- *Distinctive;*
- *Stable;*
- *Commercially new; and*
- *Able to bear appropriate appellations.*

The term of protection for New Plant Varieties is 20 years from the date of the granting of the protection titles. During the term of protection, the holders of titles of protection may permit or not permit the use of the stocks or harvested products in the following activities:

- *Production or multiplication for business;*
- *Processing of varieties for business;*
- *Sale or offering for sale;*
- *Export;*
- *Import; and*
- *Storage for any of the activities mentioned above.*

The Decree lacks sufficient detail with respect to what acts constitute an infringement of protection titles and the procedures for enforcing the protection titles through either the courts or administrative authorities.

Customs

The BTA requires Vietnam to provide procedures whereby an intellectual property rights (“IPR”) holder can request Customs to suspend the release of infringing goods into free circulation. The BTA contemplates a procedure whereby the IPR holder provides Customs with a sufficient



description of the intellectual property and of the infringing goods to enable the suspension of customs clearance generally whenever such infringing goods might be imported or exported.

The Customs Law and Decree 101 do not adequately implement the BTA commitments due to the lack of detail and impractical requirements in respect of the suspension of Customs clearance for goods infringing IPR. The Customs Law sets out a number of conditions for requesting the suspension of Customs clearance, which include evidence of the infringement. This provision is vague and can be interpreted as requiring the IPR holder to identify the precise time and location of import or export of the infringing goods. Decree 101 does not clarify or guide the interpretation of this condition.

Further revisions to the Customs Law are required before this will become a useful tool in Vietnam's IPR regime.

By Paul Norris, Baker & McKenzie

Please send any comments about this edition of The Journal, any letters or articles for future issues, to the Editor Graeme Hall at graemehall@lloydwise.com.hk

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