

Overview

1.1 History

Although having been launched just over two decades ago, Intellectual Property (“IP”) protection is one of the fastest developing areas of law in Vietnam and IP laws have been continuously renewed and improved. Protection of industrial property was first introduced in 1981 with the promulgation of the Ordinance on Innovation and Invention in 1981 that focused on moral rights rather than ownerships of inventors/creators. From 1981 to 1989, the industrial property protection in Vietnam had administrative effects only, although a number of governmental regulations on trademarks (1982), utility solutions (1988), industrial designs (1988), licensing of industrial property (1988), and copyright (1986) were issued.

The Ordinance on the Protection of Industrial Property Rights, passed by the State Council on 28 January 1989 marked a turning point for the industrial property laws of Vietnam. The Ordinance laid the foundation for the protection of inventions, utility solutions, designs, and trademarks in the country. Following the 1989 Ordinance, the Government issued Decree 84 HDBT providing for amendments and additions to regulations on particular industrial objects issued earlier in 1990. The 1994 Ordinance on Copyrights provided a higher level of copyright protection.

Another landmark in the development of the IP regime in Vietnam was the introduction of the Civil Code, adopted by the National Assembly on 28 October 1995, which came into effect on 1 July 1996, codifying all existing legislations on civil matters and creating the legal foundation for ownership and civil rights. The Civil Code 1995 replaced all former legal regulations on IP, including the 1989 Ordinance on IP Protection and the 1994 Ordinance on Copyrights. For implementation, the Government also issued corresponding

subordinate decrees on industrial property and copyrights. Significant changes were made to the Civil Code 1995 and its implementing regulations in order to achieve compliance with the TRIPs Agreement and other international conventions to which Vietnam had acceded.

The Civil Code 2005 was passed on 14 June 2005 by the National Assembly and replaced the Civil Code 1995 as of 1 January 2006. In contrast to the twenty six industrial property right provisions discussed in the Civil Code 1995, the Civil Code 2005 contains only four general provisions on protection of industrial property and plant varieties. However, the coverage of subject matters of industrial property protection has been extended to further include layout designs of semiconductor integrated circuits, trade secrets, trade names, and geographical indications. With regards to copyrights, in addition to lowering the number of relevant provisions from thirty five down to fourteen, for the first time in the development of IP laws in Vietnam, the term "related rights" has been used to substitute for the "rights and obligations of performers, producers of phonograms and videograms and broadcasting organizations". Such related rights shall include the rights of entities and individuals over performances, phonograms, videograms, broadcasting programs, and encrypted program-carrying satellite signals.

However, as a matter of fact, prior to the advent of the new IP Law 50/2005, IP related provisions in Vietnam were scattered over 40 legal documents that were not always consistent with each other and that were not all TRIPs-WTO compliant. As part of its bid to gain accession to the WTO, Vietnam consolidated its confusing maze of partially conflicting IP rules and regulations into a streamlined version, IP Law 50/2005, that became effective as of 1 July 2006. IP Law 50/2005 has been perceived by IP owners and practitioners in Vietnam as a great advance toward adequate protection and fully compliance with the TRIPs obligations.

Subsequently, implementing decrees and regulations have been established to make detailed provisions and guidelines to implement the IP Law 50/2005.

1.2 International Conventions and Treaties

Vietnam has been a member of the Paris Convention for Protection of Industrial Property and the Madrid Agreement Concerning International Registration of Marks since 1949. The country also became a member of the Convention Establishing WIPO in 1976, and acceded to the Patent Cooperation Treaty (PCT) in 1993. Vietnam is neither a member of the Nice Agreement nor the Strasbourg Agreement, but it has adopted the International Classification of Goods and Services and the International Patent Classification thereunder. Vietnam officially became a member of the Berne Convention for the Protection of Literary and Artistic Works on 26 October 2004.

Further developments toward international integration include the country becoming an official member of the Geneva Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of their Phonograms on 6 July 2005, joining internationally recognized collective management organizations established with respect to musical works (Vietnam became a member of CISAC – International Confederation of Societies of Authors and Composers and BIEM – The Bureau International des Sociétés Gérant les Droits d'Enregistrement et de Reproduction Mécanique, International Organization representing Mechanical Rights Societies in November 2005). Vietnam also signed the Brussels Convention relating to the distribution of encrypted program-carrying satellite signals that took effect in Vietnam on 12 January 2006. The Madrid Protocol has been effective in Vietnam since 11 July 2006.

As a member of the Association of Southeast Asia Nations (ASEAN), Vietnam ratified the ASEAN Framework Agreement on IP Cooperation in 1996. The Framework Agreement cites conformity with the TRIPs Agreement and other international conventions

as a basis for ASEAN cooperation. In June 1997, Vietnam and the United States entered into the Bilateral Agreement on Copyright Protection, providing for copyright protection of each country's citizens' works. Vietnam and Switzerland also signed a Bilateral Agreement on the Protection of IP in July 1999.

The landmark bilateral trade agreement (BTA) between Vietnam and the United States of America on trade relations was signed on 13 July 2000 in Washington, DC. Through this trade agreement, Vietnam has committed to most of the obligations covered by the WTO-TRIPS Agreement. The most important milestone in the normalization of relations with the US was Vietnam's accession to the WTO on 11 January 2007. This achievement followed an official agreement between Vietnam and the US on the terms and conditions for Vietnam's accession to the WTO, signed on 31 May 2006, and approval of Permanent Normal Trade Relations (PNTR) status for Vietnam by the US Congress on 21 December 2006. As a result of these agreements, cooperation in economic, legislative, health, education, and social welfare matters, as well as in cultural and scientific development, including cooperation in all aspects of IP protection, is expected to be further strengthened in the years to come.

1.3 Current Legislation on Intellectual Property

Listed hereunder are the major legal instruments for protection and enforcement of intellectual property rights in the country:

(i) Civil Code 2005 passed by the National Assembly on June 2005 and effective from 1 January 2006 (Part VI "Intellectual Property and Technology Transfer", Part VII "Civil Relations having foreign elements", particularly Article 774 "Copyrights having foreign elements" and Article 775 "Industrial property Rights and Plant Variety Rights having foreign elements").

(ii) Civil Procedure Code 2004 passed by the National

Assembly on June 2004 and effective from 1 January 2005 providing processes and procedures for settlement of civil affairs and enforcement of civil judgments.

(iii) Criminal Code of 1999 of the National Assembly, enacted in December 1999 (Section 131 – on copyrights, Section 156, 157, 158 – on counterfeits, Section 170, 171 – on industrial property).

(iv) Criminal Procedure Code of 2003 of the National Assembly, enacted in November 2003 and effective from 1 July 2004 providing processes and procedures for institution of legal proceedings, investigation, prosecution, and enforcement of criminal judgments.

(v) Intellectual Property Law 2005 passed by the National Assembly on 29 November 2005 and came into force on 1 July 2006 (six parts, 222 articles).

vi) Competition Law 2004 of the National Assembly, enacted in December 2004 and effective from 1 July 2005 (six chapters, 123 articles).

(vii) The Customs Law of 2001 of the National Assembly, enacted in June 2001 and effective as of 1 January 2002 amended in June 2005.

(viii) Law on Information Technology No. 67/2006 passed by the National Assembly on 29 July 2006 and came into force on 1 January 2007.

(ix) Cinematography Law passed by the National Assembly on 29 June 2006 and came into force on 1 January 2007.

(x) The Ordinance on procedures for judgment of administrative violations enacted in July 2002 and effective from 1 October 2002.

(xi) Law on Appeal and Denunciation No. 9/1998/QH10 of the National Assembly, enacted on December 1998, amended and supplemented by Law on Appeal and Denunciation No. 26/2004/QH11 of June 2004 and Law on Appeal and Denunciation No. 58/2005/QH11 of November 2005.

(xii) Decree 175/2004/ND-CP of the Government, enacted October 2004, providing the provisions on Sanctions Against Administrative Violations in Commerce.

(xiii) Decree No 100/2006/ND-CP of the Government, enacted in September 2006 and effective as of November 2006, guiding the implementation of articles of the IP Law concerning copyrights and related rights.

(xiv) Decree No 103/2006/ND-CP of the Government, enacted in September 2006 and effective as of November 2006, providing guidelines for implementing certain articles of the Intellectual Property Law concerning industrial property.

(xv) Decree No 104/2006/ND-CP of the Government, enacted in September 2006 and effective as of November 2006, guiding the implementation of articles of the IP Law concerning rights on plant varieties.

(xvi) Decree No 105/2006/ND-CP of the Government, enacted in September 2006 and effective as of November 2006, providing guidelines for the implementation of certain articles of the Law on Intellectual Property regarding Enforcement of Intellectual Property Rights and State management of intellectual property.

(xvii) Decree No 106/2006/ND-CP of the Government, enacted in September 2006 and effective as of November 2006, detailing and providing guidelines for implementing the provisions on handling of administrative violations concerning industrial property.

(xviii) Decree 101/2001/ND-CP of the Government, enacted in December 2001, providing detailed provisions for the implementation of the Customs Law.

(ixx) Decree No. 89/2006/ND-CP of the Government, enacted on 30 August 2006 providing regulations on goods labeling.

(xx) Circular 01/2007/TT-BKHCN of the Ministry of Science and Technology, establishing regulations to implement Decree 103/2006/ND-CP, promulgated on 22 September 2006, that provides guidelines for implementing certain articles of the Intellectual Property Law concerning industrial property. The Circular came into effect as of 9 May 2007.

(xxi) Circular No. 132/2004/TT-BCT of the Ministry of Finance, enacted in December 2004 and came into force on 31 January 2005, guiding the Collection, Payment, Management and

Use of Industrial Property Fees and Charges.

(xxii) Circular No. 129/2004/TTLT/BTC-BKHCN of the Ministry of Science and Technology, enacted in December 2004, guiding the implementation of border measures concerning the industrial property rights for export and import goods.

(xxiii) Joint Circular 58/2003/TTLT-BVHTT-BTC of the Ministry of Culture and Information and the Ministry of Finance, enacted in October 2003 providing guidelines on copyright protection for exportations and importations at customs offices.

Patents

2.1 Types of Patents Practically, there are three types of patent available under IP Law 50/2005, namely:

1. Patent for inventions;
2. Patent for utility solutions; and
3. Patent for industrial design. Inventions are technical solutions relating to a product or process aiming to solve a specific problem by utilizing the laws of nature. To be protected in the form of a patent for invention, an invention must be new, involve an inventive step, and be capable of industrial application. Although inventiveness is not required for an invention to be protected by a patent for utility solutions, an invention must still be something other than common general knowledge.

An industrial design covers the exterior shape of a product, represented in three dimensional forms, lines, colors or any combination thereof. An industrial design shall be protectable if it is new, creative, and capable of industrial application.

2.2 Patentability

2.2.1 Inventions

To be patentable, an invention shall meet the criteria of worldwide novelty and industrial applicability. In addition, an invention must involve an inventive step. These criteria are specifically defined as follows:

(i) Novelty

An invention shall be considered to be new if it was not publicly disclosed by means of use, written description or in any other way inside or outside the country, prior to the filing date or, where priority is claimed, the priority date of the patent application.

An invention shall not be considered as publicly disclosed if it is known to only a limited number of persons who are obliged to keep it secret. Further, an invention shall not be considered to lack novelty if: (i) the invention was unauthorizedly disclosed by another person without will and acceptance of the applicant; (ii) it was disclosed by the applicant in the form of a scientific report; and (iii) the invention was displayed at a national exhibition of Vietnam or an official or officially recognized international exhibition, provided that the patent application for such an invention is filed within 6 months from the date of disclosure.

(ii) Inventive Step

An invention shall be considered as involving an inventive step if, having regards to technical solutions already disclosed to the public by means of use, written description or in any other way inside or outside Vietnam prior to the date of filing, or the priority date where priority is claimed, of the patent application, it constitutes an inventive progress and cannot be easily made by a person ordinarily skilled in the art.

(iii) Industrial Applicability of Inventions

An invention shall be considered to be capable of industrial applicability if it can be applied to mass production or manufacture of the product or it is possible to repeatedly apply the process that is the subject matter of the invention to get stable results.

2.2.2 Industrial Designs

To be patented an industrial design shall be new, creative and capable of industrial application.

(i) Novelty

An industrial design will be considered to be new if it substantially differs from industrial designs that are already disclosed to the public inside or outside Vietnam by means of use, written description or in any other way prior to the date of filing or the priority date, where priority is claimed, of the industrial design application.

For the novelty determination, two designs shall not be considered as substantially different from each other if they are different merely in design features that are not easily recognized and memorized and that cannot serve to distinguish the two designs as a whole.

An industrial design shall not be considered as publicly disclosed if it is known to only a limited number of persons who are obliged to keep it secret. Also, an industrial design shall not be considered as lacking novelty if: (i) the design was unauthorizedly disclosed by another person without permission of the applicant; (ii) it was disclosed by the applicant in the form of a scientific report; and (iii) the design was displayed at a national exhibition of Vietnam or an official or officially recognized international exhibition, provided that the patent application for such an industrial design is filed within 6 months from the date of disclosure.

(ii) Creativity of Industrial Design

An industrial design shall be considered to be creative if, having regards to the industrial designs already disclosed to the public inside or outside the country prior to the date of filing or the priority date where priority is claimed, of the industrial design application, it cannot be easily created by a person ordinarily skilled in the art.

(iii) Industrial Applicability of Industrial Design

An industrial design shall be considered to be capable of industrial application if it can serve as a template for mass production of the product having an exterior shape embodying such industrial design by industrial or handicraft methods.

2.3 Exclusions from Patentability

For inventions, the following shall be exempted from protection under IP Law 50/2005:

1. discoveries, scientific theories, mathematical methods;
2. schemes, plans, rules and methods for performing mental acts, training domestic animals, playing games, doing business; computer programs;
3. presentations of information;
4. aesthetic solutions;
5. plant varieties, animal varieties;
6. essentially biological processes for the production of plants and animals except microbiological processes; and
7. preventative, diagnostic and therapeutic methods for treatment of the human or animal body.

For industrial designs, the following shall be excluded from protection:

1. the exterior shape of a product dictated merely by technical features thereof;
2. the exterior shape of a civil or an industrial construction work;
3. the exterior shape of a product that is invisible during the use of the product.

It is also explicitly stated under IP Law 50/2005 that inventions and industrial designs shall not be patented if they are contrary to social morality, public order, or detrimental to national defense and security.

2.4 Patent Term and Maintenance/Renewal

Vietnamese patents become effective on the date of issuance and end 20 years computed from the filing date for inventions (subject to annuity payment), without any renewal term. The patent for utility solution enjoys the term of ten years from the filing date. The patent for industrial design is effective from the granting date, lasts for five years from the filing date, and can be renewed for two further five year terms (subject to payment of renewal fee).

The patent owner of a Patent for Invention or Patent for Utility Solution is required to pay annuity fees in order to maintain its validity. In order to renew the validity of an Industrial Design Patent, its owner shall pay renewal fees.

Unless otherwise provided by laws, the following schedule of annuities is applied.

Year	Amount of Annuity (USD)
1st to 2nd year	16.7/independent claim/year
3rd to 4th year	26.7/independent claim/year
5th to 6th year	43.4/independent claim/year
7th to 8th year	66.7/independent claim/year
9th to 10th year	100/independent claim/year
11th to 13th year (for inventions only)	140/independent claim/year
14th to 16th year (for inventions only)	183.4/independent claim/year
17th to 20th year (for inventions only)	233.4/independent claim/year

Annuities are not required for pending patent application(s). The first annuity should be paid on the date of grant of patent while the payment of the succeeding annuities must be made within the six-month period prior to the anniversary of the grant date. A late payment of annuity is available within a grace period of six months counted from the due date of annuity, subject to an extra fee amounting to 10% of said annuity for each month overdue. No provision on the restoration of the validity of a patent is addressed in the IP laws and regulations.

2.5 Rights and Obligations of Patent Owners

2.5.1 Patent Rights

A patent owner shall be granted the right to use or allow others to use the patented invention or industrial design. The patentee also has the right to prevent others from using the patented invention or industrial design without his/her own authorization and to dispose thereof.

The use of an invention means carrying out the following acts: manufacturing the patented product; applying the patented process; exploiting the patented product or a product obtained by the patented process; circulating, advertising, offering for sale, stocking for circulation of and importing the above mentioned product.

The use of an industrial design means carrying out the following acts: manufacturing products with an appearance embodying the patented industrial design; and circulating, advertising, offering for sale, stocking for circulation of and importing the above mentioned products.

2.5.2 Obligations of the Patent Owners

The patent owner has obligation to: (1) pay remuneration to the inventor(s); (2) pay the annuity or renewal fee for maintenance or renewal of the patent; and (3) use or license

the patented invention or industrial design to another person upon decision of the State administrative authority (compulsory license).

For a patent for invention, the patent owner shall be under obligation to permit the owner of the dependent invention using his/her dominant (basic) invention, provided that the dependent invention has been proved to have made an important technical advance in comparison with the dominant invention and to have high economic value. In case the owner of the dominant invention fails, without legitimate grounds, to satisfy the request made by the owner of the dependent invention, the State competent authority may, without permission of the owner of the dominant invention, grant a license to exploit the dominant invention to the owner of the dependent invention

2.6 Limitations to Patent Rights

The patent rights as mentioned above shall be limited by prior user's rights, compulsory license, and other acts.

2.6.1 Prior User's Rights

The exercise of the prior user's right to invention or industrial design shall not be considered as an infringement of rights of the owner of the patented invention or industrial design. Where a person who, before the publication date of an invention or industrial design application, was using or had made substantial preparation toward the using of an invention or industrial design independently created but identical with the invention or industrial design claimed in the application, the said prior user shall be entitled to continue the use after the patent is granted, within the extent and volume of use or substantial preparation toward the using already made. The prior user shall not be entitled to enlarge the extent and volume of use unless it is so permitted by the owner of the patented invention or industrial design. The prior user's right shall not be allowed to be transferred except for the

case it is transferred together with the business establishment where the prior user's right is exercised.

2.6.2 Compulsory License

The right to use an invention shall, without permission of the patentee, be granted to another entity or individual upon decision of the State competent authority if (i) the use of the invention is intended for the public interest, non-commercial purposes, national defense, security, prevention and treatment of disease, for people's nutrition, or meeting other urgent needs of society; (ii) the patentee fails to fulfill the obligation of using the invention after the expiration of four years from the date of filing of the patent application and three years from the granting date of the patent for invention; (iii) the person who wants to use the invention fails, within a reasonable period of time for negotiation on reasonable considerations and commercial conditions, to reach an agreement with the patentee on a license to use such an invention; or (iv) the patentee is regarded as performing an act of anti-competition prohibited under the competition law and regulations.

The right to use the invention under the compulsory license granted by a decision of a State competent authority shall meet the following conditions:

- a. The right to use shall be non-exclusive;
- b. The right to use shall only be limited to such a scope and duration sufficient to attain the purpose for which the compulsory license was granted, and predominantly for the supply of the domestic market;
- c. The licensee of the compulsory license shall not assign the right to use the patented invention to another person, except where the assignment is made together with his/her business establishment and sub-license others to use the patented invention;
- d. The licensee of the compulsory license shall pay the patentee/licensor adequate remuneration, taking into account

the economic value of the allowed use, in compliance with the remuneration frame provided for by the Government;

e. The patentee of the dominant invention shall also be entitled to grant a license to use the dependent invention on reasonable terms and conditions; and

f. The licensee of compulsory license to use the dominant invention shall not be entitled to assign such right, except with the assignment of the entire right to the dependent invention.

2.6.3 Other Cases

The following shall be exempted from patent infringement:

1. Use of the invention or industrial design for personal needs or non-commercial purposes, or for the purposes of evaluations, analysis, research, teaching, testing, pilot production or for collecting data to carry out procedures to obtain a production license, import or product marketing permit;

2. Use of the invention or industrial design only for the purpose of maintaining the operation of a foreign vehicle in transit or only temporarily entering into the territory of Vietnam;

3. Use of the invention or industrial design by prior user;

4. Use of the invention by the licensee of a compulsory license authorized by the State competent authority.

2.7 Who May File and Where to File Patent Applications

The right to file a patent application for invention or industrial design generally belongs to inventors who have created the invention or industrial design by his/her own efforts and expenses. In case an invention or industrial design is created by the inventors during the course of employment or hire, the entitlement to file patent applications for such invention or design shall belong to the entities or individuals who have invested finance and material facilities to the inventors through employing or hiring. In

addition, persons entitled to file an application may assign that right to other organizations or individuals through written contract or inheritance in accordance with the law. The right to file patent applications for inventions/industrial designs made by using the State budget belongs to the State.

All applications must be lodged with the National Office of Intellectual Property (NOIP), which has been entrusted to be the State administrative authority under the jurisdiction of the Ministry of Science and Technology. Vietnamese entities and individuals, foreign individuals permanently residing in Vietnam, and foreign entities having an industrial or commercial establishment in Vietnam may file patent applications directly or through an IP agency licensed to practice before the NOIP. Foreign individuals not permanently residing in Vietnam and foreign entities having no industrial or commercial establishment in Vietnam shall file applications for patent rights through a licensed IP agency. As of July 2006 there are forty three local IP agencies licensed to practice in Vietnam before the NOIP.

2.8 “First to File” Principle

Vietnam adopts the “first to file” principle. Accordingly, a patent will be granted to the person who is the first to file patent application for invention or industrial design. If there are two or more patent applications filed for the same invention or industrial design, all of the applicants are now required to reach an agreement to proceed with one application only. Without such an agreement, all those applications shall be refused.

2.9 Priority

Patent applicants for subsequent invention or industrial design application are allowed to claim priority derived from the first application for the same subject matter filed in

Vietnam or a member country of an international treaty having provisions on priority rights, to which the Socialist Republic of Vietnam is a party, or a country having agreed with Vietnam to apply such provisions, provided that the applicant is a national of Vietnam or such a member country.

To enjoy the priority right under the Paris Convention, a subsequent patent application for invention must be filed within twelve months from the filing date of the first application. The corresponding time limit for filing a subsequent industrial design application is six months. If the subsequent application claims different priorities, the relevant date for computing the time limit shall be the date of the earliest priority. It is also possible for the applicant to claim multiple priorities in a single subsequent application derived from different earlier filed applications, provided that the corresponding contents of such earlier applications and the application in question are explicitly indicated.

In the event a patent applicant for a subsequent application for an invention succeeds in claiming priority derived from the first application earlier filed in Vietnam for the same invention, the patent shall only be granted to the subsequent application. The early filed application (also called priority application) shall be deemed to have been withdrawn.

For PCT applications, the time limit for entering the national phase in Vietnam under both Chapter I and Chapter II of PCT is thirty one months, computed from the priority date. However, as of 9 May 2007, a late entry of six months counted from the expiration of thirty one month period is allowed, subject to a late entry fee.

2.10 Patent Applications

All patent applications shall be made in the Vietnamese language, with certain exempt documents that can be filed in

another language provided that appropriate Vietnamese translations thereof shall be submitted to the NOIP within a prescribed period of time.

Patent applications need to satisfy the unity requirement. An application for an invention shall be deemed to meet this requirement if it relates to one invention or a group of inventions so linked as to form a single general inventive concept. For industrial designs, the application shall be regarded as meeting the unity requirement if it claims a number of designs of a set of articles that consist of two or more articles which express a single general inventive concept and are used together or for a single purpose; or one design accompanied by one or more other variants of that industrial design, which express a single general inventive concept and are not significantly different from the industrial design.

For documents required for filing of domestically filed applications for inventions, PCT applications (entering the national phase in Vietnam), and applications for industrial designs, please see Filing Requirements in Vietnam.

2.11 Conversion of Applications for Invention Patent into Applications for Utility Solution Patent

The applicant is allowed to convert a patent application for invention into a patent application for utility solution and vice versa. The time limit for conversion is any time prior to any Notification either for Refusal or Grant of a patent is made.

2.12 Formality Examination

All Vietnam patent applications, including PCT applications, shall be automatically examined as to form within the statutory period of one month from the filing date. If the formalities are met, a Notification of Acceptance as to form shall be issued to confirm the accorded filing date and assigned application number. The filing date may be (i) the

actual date on which the State administrative authority (i.e., the NOIP) receive the application and stamp the receiving seal thereon; or (ii) the international filing date of the PCT application if national patent application is a PCT-derived application.

If the application is objected due to (i) certain defects in form, (ii) the subject matter of the invention being statutorily unpatentable, (iii) the applicant not being entitled to file application, or (iv) the application being filed in an improper manner, a Notification of the Defect(s) of the application shall be issued and the applicant shall be given a one-month period counted from the date of the Notification in order to correct such defects. Such informalities shall not affect the filing date.

The applicant may, at any time prior to the Notification of Issuance of patent, make amendments or additions to the application, but not beyond the disclosure or so as to change the nature of the invention, or industrial design originally claimed; or a fresh application needing to be filed. The amendments may also be made to the name and address of the applicant, the change of the applicant as a result of the assignment of application or inheritance, merger, acquisition or division of legal entities or the like.

2.13 Publication of Patent Application

All patent applications accepted to examination for patentability shall be published in the Official Industrial Property Gazette for the purpose of opposition. Applications for inventions shall be published in the 19th month from the filing date, or the priority date where priority is claimed; or in the second month from the date of acceptance as to form, whichever is later. Early publication is available at the applicant's request. An industrial design application shall be published within 2 months computed from the date on which the application is accepted as to form.

A PCT-derived application is usually published in the second month from the date of acceptance of the application.

2.14 Request for Substantive Examination of Patent Applications

The published Vietnam patent applications for inventions shall not be automatically examined on their merits. The examination shall be carried out only upon request for examination from either the applicant or a third party, subject to payment of an appropriate fee. Such a request shall be submitted to the NOIP within forty two months for inventions, counted from the filing date or the date of priority if the priority is claimed, or the application shall be deemed to have been withdrawn. The time limit for making request for substantive examination of a patent application for utility solution is 36 months.

There is no provision on the request for examination for industrial design application under Vietnam IP Law. Substantive examination is automatically conducted for applications for industrial designs.

2.15 Substantive Examination and Grant of Patent

Substantive examination is conducted by the NOIP in order to determine whether the invention claimed therein is patentable.

The time limit for substantive examination for invention applications is 18 months, computed from the publication date of the application if a request for substantive examination is filed prior to the publication date or from the date of receipt of a request for substantive examination if such request is filed after the publication date. For design applications, the substantive examination shall be conducted within six months from the date of publication of the application.

The applicant may, any time before the Notification of Issuance is made, either at the applicant's discretion or at

the request of the NOIP, make amendments to the patent application. However, the amendments are not allowed to go beyond the disclosure originally filed.

If the invention or design claimed in the patent application is rejected as being unpatentable, or if the application contains some deficiencies, the NOIP shall issue a "Notification of Result of Substantive Examination" notifying the applicant of its intention to refuse to grant the patent and the grounds therefor, and set a two month period for the applicant to respond or make necessary amendments and/or arguments, or rectify the deficiencies. Such a set period of time can be extended once for another two months by filing a request for extension of time to the NOIP. If the applicant fails to timely respond within such a prescribed period of time without any request for extension, the NOIP shall officially reject the application by issuing a "Notification of Refusal of Granting Patent."

Upon receipt of the response from the applicant, the NOIP's examiner shall re-consider the patent application. The time limit for re-consideration shall be two thirds of the initial examination period. For complicated cases, the time limit for re-consideration may be prolonged but may not exceed the initial examination. Also, the consideration shall be conducted by the examiner only once.

If the patentability requirements are met, or the applicant has properly rectified the deficiencies or successfully rebutted the examiner's rejection(s), the NOIP shall issue a "Notification of Issuance" notifying the applicant of its intention to grant a patent, and shall set an one month period of time for the applicant to furnish the NOIP with the required fees for issuance, publication, registrar, and the first annuity. The NOIP shall publish the patent in the IP Gazette, Volume B and enter it into the National Register of Industrial Property (National Register).

2.16 Appeal/Opposition Proceedings

At any time during the period from the publication to the issuance of a patent, the applicant or any third party whose rights and interests are directly related to the granting of a patent shall be entitled to file written opposition with the NOIP, opposing either the grant or refusal to grant a patent.

Any opposition/appeal must be made in writing and accompanied by the content to be opposed, argumentation, and/or evidence to support the opposition. The opposition/appeal on the first instance must be submitted to the NOIP within 90 days from the date of receipt or awareness of the NOIP's notification relating to refusal or grant of a patent as referred to above. In the event the opposer does not agree with the NOIP's decision on the opposition, the opposer may appeal either to the MOST or the court (appeal of second instance).

2.17 Cancellation or Suspension of Patents

At any time after a patent is granted, any party may file a written request with the NOIP to wholly or partially cancel such patent. The grounds for cancellation may be:

1. The patentee was not entitled to apply for the patent, nor assigned that right from the entitled person; or
2. The patented invention or industrial design did not meet the conditions for patentability at the time the patent was issued.

The patent shall be partly invalidated if the respective part of the subject matter failed to meet the conditions of protection.

The patent's validity may be suspended at the request of any party, based on the grounds that (a) the patentee fails to pay the prescribed annuity or renewal fee as prescribed; (b) the patentee declares a disclaimer of the rights conferred by the patent; or (c) the patent owner no longer exists, and there is no lawful successor.

2.18 Patent Infringements

The following acts shall be considered to infringe the rights of the owner of an invention or industrial design:

1. Use of the patented invention, protected industrial design or another industrial design insufficiently different from it within the validity term of the patent without permission of the patent owner;
2. Use of the patented invention or industrial design without paying compensation in accordance with the provisions on the provisional right.

For enforcement of patent rights and remedies available, please see Enforcement of Intellectual Property Rights.

Trademarks

3.1 Definition and Registrability

A trademark is defined as a sign used to distinguish the goods or services of one producer/service provider from those of another. The trademark may be presented in the form of letters, pictures or a combination thereof in one or several colors. To be registrable, a trademark must be distinctive and must not fall within the signs excluded from registrability.

A sign used as a trademark shall be deemed distinctive if the following conditions satisfied:

- (i) It is created from one or a number of elements that are prominent and easily recognized, or from elements that are, as a whole, prominent and easily recognized;
- (ii) It is not identical with or confusingly similar to another persons trademark currently protected in Vietnam;
- (iii) It is not identical with or confusingly similar to a trademark of another person claimed in prior-filed applications in Vietnam including

those trademarks filed under the Madrid Agreement;

(iv) It is not identical with or confusingly similar to a trademark of another person, the protection validity of which has expired or been suspended within the last 5 years, except where the validity was suspended on the basis of non-use;

(v) It is not identical with or confusingly similar to a trademark of another person recognized as well-known in accordance with Article 6bis of the Paris Convention, or a trademark that has been widely used and recognized;

(vi) It is not identical with or confusingly similar to a protected trade name or geographical indication;

(vii) It is not identical with or confusingly similar to a patented industrial design or a prior-filed industrial design; or

(viii) It is not identical with or confusingly similar to a symbol or character subject to another person's copyright, which has been widely known, unless permitted by such person.

The following signs shall be excluded from trademark protection:

(i) Signs that do not possess distinctiveness, such as simple shapes and geometric shapes, figures, capital letters, , and foreign letters of uncommon languages which does not derive from Latin (such as, Arabian, Chinese, Japanese, Korean, Thai, etc.) . Those signs can be however registered if they have been widely used and recognized;

(ii) Conventional signs, symbols, ordinary devices, and denominations of goods in any language that are used widely and popularly and known to many people;

(iii) Signs indicating time, place, manufacturing process, type, quantity, quality, nature, composition, utility or value that are descriptive of goods, services or origin thereof;

(iv) Signs likely to mislead or cause confusion or to deceive consumers as to the origin, nature, function, utility, quality or value of goods or services;

(v) Signs identical with or similar to official quality marks, control marks, warranty marks, etc. of Vietnam, foreign countries or international organizations;

(vi) Signs or names (including pictures, names, nicknames and pseudonyms), devices or symbols identical with or confusingly similar to national flags, national emblems, portraits of national leaders or

heroes, public figures, geographical denominations, organizations of Vietnam and foreign countries, unless duly authorized; and
(vii) Signs that are contrary to law, social interests, public order and humanity.

3.2 Who May File and Where to File Trademark Applications

All individuals and entities involved in legal production and business activities are entitled to file applications for trademark registrations to be used for products or services they are manufacturing or providing or intend to manufacture or provide. Actual or prior use of a trademark is not required to seek trademark registration in Vietnam. So businesses including foreign ones can seek registrations of trademarks for future use in Vietnam, provided that a registered mark may not be discontinued for any five consecutive years. Otherwise, the trademark is vulnerable to cancellation.

Trademark applications can be filed with the NOIP in Hanoi or the NOIP's branch in Ho Chi Minh City. Vietnamese citizens and entities may file trademark applications directly with the NOIP. Foreign citizens permanently residing in Vietnam or foreign entities having legal presence in Vietnam or real and effective production and business establishments in the country may also file applications directly with the NOIP. Other than these specified cases, all applications of foreign applications must be submitted through a licensed local IP agency like Vision & Associates.

3.3 “First to File” Principle

Like other industrial property objects, the “first to file” principle is also applied for trademark protection in Vietnam, accordingly the trademark registration will be granted to the person who first filed the trademark application.

However, the “first to file” principle shall not apply to cases of well-known marks under the Paris Convention or those which have been widely used and recognized. In such cases, the priority will be given to the person who can prove that his trademark has been well-known or been widely used and recognized, without subject to the “first to file” principle.

3.4 Priority

Priority can be claimed in accordance with the Paris Convention, based on an earlier application filed in a foreign country or an officially recognized international exhibition held in Vietnam or in a foreign country. Priority can be also claimed according to bilateral agreements or based on the reciprocity principle. To secure the priority right, the application must be filed within 6 months from the filing date of the first application filed abroad or the date of the exhibition as above mentioned.

3.5 Trademark Applications

Each application can be used for one trademark only. However, multi-class applications are possible in Vietnam, accordingly up to 45 classes of goods and services can be claimed under one application. The goods and/or services under the application must be classified according to the International Classification of Goods and Services under the Nice Agreement (currently the ninth edition is applicable).

The NOIP accepts a general power of attorney for trademark filings of one applicant. In case the power of attorney specifies particular marks of the applicant, then separate power of attorney will be required for any subsequent marks of the applicant not specified in the original power of attorney. Neither notarization nor legalization is required regarding the Power of Attorney. The power of attorney is not required at filing, provided that the original copy is supplemented within 01 months from the filing date.

For documents required for trademark filing in Vietnam, please see Filing Requirements in Vietnam.

3.6 Examination

All trademark applications will be examined by the NOIP with respect to formality requirements, within 01 months from the filing date. If the application is found to satisfy the formality requirements, then it will be accepted as legitimate by the NOIP in a Notification of Acceptance which provides official filing date, official filing number, and priority date if any. In case the application does not meet the formality requirements, the NOIP will reject the application by a Notification of Refusal of Acceptance or request corrections or amendments, as the case may be.

Upon expiry of the formality check and where the application is accepted as legitimate, the application will be published in the IP Gazette within 2 months from the acceptance date and then, passed to substantive examination which takes place within a 06 month period from the date of publication of the application. The substantive examination is to consider whether the claimed trademark (i) possesses distinctiveness and (ii) is of those signs excluded from trademark protection. During this period, the applicant may make amendments to the application, however only minor changes to the trademark or goods and/or services claimed are acceptable. For example, the applicant can restrict the goods and/or services claimed but not expand them.

Trademark applications filed internationally under the Madrid Agreement shall be also subject to the substantive examination which lasts 12 months from the date of publication of the extension of protection to Vietnam by WIPO.

3.7 Grant of Certificate of Trademark Registration or Acceptance of Protection

If upon expiry of the substantive examination, the trademark is found to be registrable, the NOIP will grant Certificate of Trademark Registration for the trademark, and publish the Certificate in the IP Gazette, Volume B. Regarding the international trademarks filed under the Madrid Agreement, the NOIP will issue Decision of Acceptance of Protection for the trademark in question. The international registration of a trademark, accepted for protection in Vietnam by the NOIP, shall be effective from the date it is published in the IP Gazette, Volume B until the end of the 20-year term of the international registration.

Where the trademark is unregistrable, the NOIP will issue a Notification of Examination Result of Application notifying the applicant of the intended refusal of grant of the certificate and reasons therefore, or of the deficiencies or amendments which should be corrected or made. The applicant has 2 months to reply or make necessary amendments. If the applicant fails to reply or the response is not appropriate, the NOIP will officially issue a Notification of Refusal of Granting Certificate of Trademark Registration. To the contrary where the response is satisfactory, the Certificate of Trademark Registration or Decision of Acceptance of Protection will be granted as above mentioned.

3.8 Well-known Trademarks

Intellectual Property Law, which came into effect from July 1, 2006 has defined for a well-known mark, which states “well-known mark is a mark widely known throughout territory of Vietnam”. According to the IP Law, industrial property rights to well-known trademark is are established based on its use without subject to registration.

Also, according to the IP Law, statutory criteria for determining a well-known trademark are:

- (i). The number of the related consumers who are aware of the mark through purchase or use of the goods or services bearing the mark or through advertising;
- (ii). Territorial scope of circulation of the goods/services bearing the mark;
- (iii). Turn-over of the sale or supply of the goods or services bearing the mark or the volume of the goods sold or the services supplied;
- (iv). The period of continuous use of the mark;
- (v). Widespread goodwill of the goods/services bearing the mark;
- (vi). Number of the countries granting protection to the mark;
- (vii). Number of the countries recognizing the mark as well known;
- (viii). Value of assignment, licensing price, or the value of investment capital contribution in respect of the mark.

The laws also provides procedures for recognition of well-known marks. Accordingly, the well-known marks, which are recognized under civil procedures or by the NOIP’s decision shall be recorded in the List of Well-known Marks kept at the NOIP.

3.9 Protection Term and Renewal

A certificate of trademark registration shall be effective from the granting date and last for 10 years from the filing date, and can be renewed for indefinitely for each consecutive 10-year term.

To renew the validity of a certificate, the trademark owner must apply for renewal and pay the renewal fee within 6 months before the expiry of the preceding validity term. Renewal request may be filed late within a 6-month grace period, subject to a fine of 10 percent of the renewal fee for each month overdue.

3.10 Rights and Obligations of Trademark Owners

A trademark owner shall be entitled to (i) exclusive use of the trademark, including the right to license the right to use the trademark, (ii) request any person infringing his trademark rights to cease from the infringement and ask for any damage suffered.

The trademark owner must use the trademark continuously and must not discontinue use of the trademark for any consecutive 5 years. Otherwise, the certificate of trademark registration shall be suspended at a third party's request.

3.11 Appeal/Opposition Proceedings

The applicant may lodge appeals/oppositions against the NOIP's rejection of acceptance of applications or of granting certificates. Any third party has the right to appeal or oppose the grant of a certificate of trademark registration, subject to a prescribed fee.

The appeal/opposition must be made in writing and submitted to the NOIP within 3 months from receipt of the NOIP's decision subject to the appeal/opposition. In case of a third party opposing the grant of a certificate of trademark registration, the opposition may be filed at any time during the validity term of the certificate. The NOIP shall be obliged to reply to the appellant within 30 days from receipt of the opposition. In case of disagreement with the NOIP's response, the appellant may appeal further to the MOST or initiate a lawsuit against the NOIP at the administrative court under the People's Court System.

3.12 Cancellation and Suspension of Certificate of Trademark Registration

A certificate of trademark registration may be cancelled wholly or partly, by any third party's request, in the following cases:

- (i) The person who has been granted the certificate was not entitled to apply for the trademark registration, nor assigned the right to file the application from the entitled person; or
- (ii) The trademark under the certificate does not meet the protection criteria as stipulated.

The validity of the certificate of trademark registration may be also suspended on the following grounds:

- (i) The grantee submits a written request to the NOIP for abandonment of the certificate; or
- (ii) The grantee fails to pay the renewal fee within the prescribed time

limit; or

(iii) The trademark under the certificate has not been used for any consecutive 5 years without any justifiable reasons (non-use basis); or
The grantee no longer exists or terminates the operations.

3.13 Trademark Infringements

The use of a registered trademark as described above shall be considered as a trademark infringement if it is conducted without the consent of the trademark owner. The current trademark laws make available administrative, civil or criminal remedies, where appropriate, for a trademark owner to enforce his rights in case of infringement. For details of enforcement of trademark rights and remedies available, please see Section 8 hereunder.

Appellation of Origin

4.1 GEOGRAPHICAL INDICATIONS

Definition of Geographical Indications

The term “geographical indications” in IP Law 50/2005 henceforth replaces both the term “geographical indications”, which is stipulated in the Government’s Decree No. 54, and “appellation of origins”, which is used in the previous Civil Code 1996 and the Government’s Decree No. 63. In the IP Law 50/2005, “geographical indications” are defined as “signs that are used to identify products as originating from an area, locality or country”. Such definition is rather broad to the extent that it could cover the two previous concepts of “geographical indications” and “appellation of origins”.

Protection conditions

Geographical indications shall be protected if the following conditions are met:

(i) products bearing geographical indication geographically originate from the area, locality or country indicated by such geographical indications; and

(ii) products bearing geographical indication have reputation, quality or characteristics that are essentially attributable to the geographical conditions of the area, locality or country indicated by the geographical indication.

“Reputation” of products bearing geographical indication is determined by the level of its prestige among consumers that calculated by the level of awareness of and level of frequency of choosing the products made by consumers. Meanwhile, “quality or characteristics” of products bearing geographical indication are measured by one or several indicators such as quantitative, qualitative norms or physical, chemical, microbiological sensations and these indicators can be by examined by technical means or experts using appropriate testing methods. The “geographical conditions” of the territory indicated by geographical indications shall include the natural factors (climate, hydrograph, geology, terrain, ecological system and other natural factors) and human factors (skills, expertise of manufacturers, process and traditional mode of manufacture) that essentially determine the reputation, quality or characteristics of products bearing geographical indications.

Exceptions

The following subject matters shall not be protected as geographical indications:

(i) Designations, indications having become generic names of goods in Vietnam;

(ii) Geographical indications of a foreign country where it is not or no longer protected or no longer used;

(iii) Geographical indications identical with or similar to a mark having been protected if their use will cause confusion as to the origin of the products;

(iv) Geographical indications misleading consumers as to the

true geographical origin of products bearing such geographical indications.

Regime of protection

Geographical indications can be protected not only by a sui generis system under the registration procedures for acquisition of right but also by alternative legal tools of certification mark/collective mark and anti-unfair competition. In particular, the IP Law 50/2005 states that a trademark shall not be considered as distinctive if it is a sign indicating the geographical origin of goods or services, except for those, which have been, registered as collective marks or certification marks. In addition, the IP Law also prescribes the act of using commercial indications (including marks, trade names, business symbols, business slogans, geographical indications, package designs, label designs, etc.) that cause confusion as to the business entities or business activities or commercial source of goods or services or the origin, production method, feature, quality, quantity or other characteristics of goods or services shall be considered as an act of unfair competition.

Who May File and Where to File Geographical Indication Applications

The right to register geographical indications shall belong to the State of Vietnam. However, the State permits individuals/organizations manufacturing products bearing the geographical or their representative association or the local administrative authority to exercise the right.

Geographical indication applications can be filed with the NOIP in Hanoi or the NOIP's branch in Ho Chi Minh City or Da Nang City.

Geographical Indication Application

Each application can be filed for one geographical indication

that used for one product only.

Applications for registration of geographical indications shall be subject to two-step examination. The formality examination shall be conducted within one month from the filing date while the corresponding time limit for substantive examination is 6 months from the date of publication of the application. Applications for registration of geographical indications, after duly accepted as to form, shall be published in IP Gazette for opposition.

For documents/information required for geographical indication filing in Vietnam, please see Filing Requirements in Vietnam.

Protection Term

A certificate of geographical indication registration shall have indefinite validity from the granting date.

Cancellation and Invalidation of Certificate of Geographical Indication Registration

A certificate of geographical indication registration may be cancelled by any third party's request, in the following cases:

- (i) The application for registration neither has right to registration; or
- (ii) The geographical indication under the certificate does not meet the protection criteria as stipulated.

The validity of the certificate of geographical indication registration may be also suspended on the grounds that the geographical conditions attributable to the reputation, quality or characteristics of the product bearing a geographical indication have changed resulting in a loss of the reputation, quality or characteristics of the product.

Geographical indication infringement

The following acts shall be considered as infringement of the

rights to a protected geographical indication:

(a) Using the protected geographical indication for products that do not satisfy the peculiar characteristics and quality of the product having the geographical indications although such products originate from a geographical area bearing such geographical indication;

(b) Using the protected geographical indication for products similar to the product having the geographical indication for the purposes of taking advantage of reputation and goodwill of such geographical indication;

(c) Using a sign identical with or similar to the protected geographical indication for products not originating from the geographical area bearing the geographical indication and therefore causing consumers mislead about the products originating from that geographical area;

(d) Using a protected geographical indications of wines or spirits for the wines or spirits that are not originating in the territories corresponding to the geographical indication, even where the true origin of goods is indicated or the geographical indication is used in translation or transcription or accompanied by such words as "kind", "type", "style", "imitation" or the like.

4.2 LAYOUT DESIGNS OF SEMICONDUCTOR INTERGRATED CIRCUITS

Definition of Layout Designs of Semiconductor Integrated Circuits

Layout Designs of Semiconductor Integrated Circuits (hereinafter referred to as "Layout Designs") are defined as "three-dimensional disposition of circuitry elements and interconnections of such elements in a semiconductor integrated circuit" in which the integrated circuits are prescribed as product, in its final form or an intermediate form, in which the elements, at least one of which is an active element, and some or all of the interconnections are integrally formed in or on a piece of semiconductor material and which is intended to perform an electronic function.

“Integrated circuit” is synonymous with “IC”, “chip” and “microelectronic circuit”.

Requirements for protection

A layout-design shall be eligible for protection if it is originality and commercial novelty.

These criteria are specifically defined as follows:

Originality

A layout design shall be considered as original if it is resulted from its author’s own creative effort and not to be widely known among creators of layout-designs or manufacturers of semiconductor integrated circuits at the time of its creation. In addition, a layout design that is a combination of common general elements and interconnections shall be considered as original if such a combination as a whole is original.

Commercial novelty

The commercial novelty of layout design is understand as the layout design has not been commercially exploited anywhere in the world prior to the filing date of the application for registration.

A layout-design shall not be considered as lacking of commercial novelty if the layout design registration application is filed within 2 years from the date such layout design was commercially exploited for the first time anywhere in the world by the person who has the right to registration or his/her licensee.

Commercial exploitation of a layout-design means any act of public distribution for commercial purposes of a semiconductor integrated circuit produced by incorporation of the layout-design, or an article incorporating such a semiconductor integrated circuit.

The following subject-matters shall not be protected as layout designs:

- (a) Principles, processes, systems or methods operated by semiconductor integrated circuits
- (b) Information or software contained in semiconductor integrated circuits.

Who May File and Where to File Layout Design Applications

The right to file a layout design application belongs to inventors who have created the layout design by his/her own efforts and expenses. In case a layout design is created by the inventors during the course of employment or hire, the entitlement to file layout design applications for such layout design shall belong to the entities or individuals who have invested finance and material facilities to the inventors through employing or hiring. In addition, persons entitled to file an application may assign that right to other organizations or individuals through written contract or inheritance in accordance with the law.

The right to file layout design applications for layout design made by using the State budget belongs to the State.

All applications must be lodged with the NOIP, which has been entrusted to be the State administrative authority under the jurisdiction of the Ministry of Science and Technology. Vietnamese entities and individuals, foreign individuals permanently residing in Vietnam, and foreign entities having an industrial or commercial establishment in Vietnam may file patent applications directly or through an IP agency licensed to practice before the NOIP. Foreign individuals not permanently residing in Vietnam and foreign entities having no industrial or commercial establishment in Vietnam shall file applications for patent rights through a licensed IP agency. As of July 2006 there are forty-three local IP agencies licensed to practice in Vietnam before the NOIP.

Layout Design Applications

Each application can be filed for one layout design only. Applications for registration of layout design shall be subject to the formality examination within one month from the filing date. After duly accepted as to form, applications for registration of layout designs shall be published in IP Gazette for opposition within three months in the manner of allowing direct access at the NOIP without reproduction of such published layout design. The certificate of layout design of semiconductor integrated circuit registration shall be granted to the applicant if no opposition is filed within the duration of publication of the application.

For documents required for filing applications of layout designs, of domestically filed applications for inventions, please see Filing Requirements in Vietnam.

Protection Term

A certificate of layout design of semiconductor integrated circuit registration shall have validity from the granting date and expiring at the earliest date among the following:

- (a) The end of 10 years as from the filing date;
- (b) The end of 10 years as from the date the layout-designs were first commercially exploited anywhere in the world by the person having the right to registration or his or her licensee;
- (c) The end of 15 years as from the date of creation of the layout-designs.

Rights of owner of a layout-design

The owner of a layout-design has the right to exploit the layout-design or prevent any person from performing the following acts: (i) reproducing the layout-design; or making a semi-conductor integrated circuit in accordance with the protected layout-design; (ii) distributing, leasing, advertising, offering or storing a copy of the protected layout-design; (iii) importing a copy of the protected layout

design, a semi-conductor integrated circuit manufactured in accordance with the protected layout or goods manufactured in accordance with such a semi-conductor integrated circuit.

Cancellation or Suspension of layout designs

At any time after a layout design is granted, any party may file a written request with the NOIP to cancel such patent. The grounds for cancellation may be:

1. The applicant was not entitled to apply for the layout design, nor assigned that right from the entitled person; or
2. The layout design did not meet the protection conditions at the time the certificate of layout design registration was issued.

The certificate of layout design semiconductor integrated circuit registration may be suspended at the request of any party, based on the grounds that (a) the owner fails to pay the prescribed annuity or renewal fee as prescribed; (b) the owner declares a disclaimer of the rights conferred by the layout design; or (c) the layout design owner no longer exists, and there is no lawful successor.