

National/Regional Group: Vietnam

Contributors name(s):

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Questionnaire 2

HCCH Judgements Project

I. Relating to Article 2(1)(m) of the November 2017 Draft Convention:

a) Should any intellectual property rights be included in the scope of the Convention? Please explain why or why not.

Intellectual Property rights should not be included in the scope of the Convention, at least in this time. Intellectual property rights are territorially limited, and the IPR regimes are diverse between nations. One IP dispute could be settled in different ways in different countries.

However, due to the trend of globalisation and harmonization in IP field, recognition and enforcement of foreign judgement is still possible when the legal frames of contracting parties are harmonized.

b) Should intellectual property rights be included in the scope of the Convention, what should be included within the concept of "intellectual property"? For example, should the concept of "intellectual property" be limited to the "traditional" intellectual property rights, e.g. patents, designs, trademarks, copyright? Alternatively, should the concept of "intellectual property" also include related rights, such as rights relating to trade secrets, rights arising from licences, unfair competition, etc.? Please explain and specify why or why not certain types of "intellectual property" should be included or excluded.

Only traditional rights (e.g. patents, designs, trademarks, copyright and geographic indications) should be included within the concept of "intellectual property", given that all of these rights are monopoly rights to the IP subjects, whereas the related rights, such as trade secrets, unfair competition and licenses, are not monopoly rights. However, these related rights could be included in this Convention under an extended clause such as "analogous matters".

c) Do you think the wording "... and analogous matters" is clear enough? Please explain why or why not.

We are of the opinion that the wording "... and analogous matters" may not be clear enough, because it is an open term. In our opinion, a better wording may be "... and analogous matters, including but not limited to:..."

d) Please provide any proposals regarding the refinement of the wording of Article 2(1)(m) of the Draft Convention.

Proposal: “Intellectual Property and analogous matters, including but not limited to: trade secrets, unfair competition and rights arising from licenses.”

2. Relating to Article 5(3)(a) of the November 2017 Draft Convention:

a) Should a judgment that ruled on the infringement of an intellectual property right required to be granted or registered only be eligible for recognition and enforcement if given by a court of the contracting state in which the intellectual property right in question was granted or is registered? Please explain why or why not.

Regarding an IPR required to be granted or registered, such as patent, the monopoly rights of the plaintiff exist only if such IPR has granted or registered by the contracting State. Besides, IPR is by nature territorial. IPR afforded to the right holder are limited to the territory of the State granting the right. In such respect, we opine that a judgment that ruled on the infringement of an intellectual property right required to be granted or registered should only be eligible for recognition and enforcement if given by a court of the contracting state in which the intellectual property right in question was granted or is registered.

b) Should there be an exclusion in the case were the defendant has not acted in that State or their activity cannot reasonably be seen as having been targeted at that State? Please explain why or why not.

There should be no exclusion, because if the infringement is not committed in the State of origin, the court of that State has no power to rule.

c) Should there be an exclusion in the case of purely inter partes judgments? Please explain why or why not.

There should be no exclusion in the case of purely inter partes judgments, given that the inter partes is just the proceedings, does not affect the core of matter, the monopoly of plaintiff.

3. Relating to Article 5(3)(b) of the November 2017 Draft Convention:

a) Should a judgment that ruled on the infringement of a copyright or related rights, an unregistered trademark or unregistered industrial design, only be eligible for recognition and enforcement if given by a court in the State for which protection is claimed? Please explain why or why not.

Yes, given that if the protection is not claimed, which means rights do not exist in the State of origin, the court of that State could not rule on the infringement.

b) Should there be an exclusion in the case were the defendant has not acted in that State or their activity cannot reasonably be seen as having been targeted at that State? Please explain why or why not.

There should be no exclusion, because if the infringement is not committed in the State of origin, the court of that State has no power to rule.

c) Should there be a requirement that the infringement in question is actionable in both the State in which the judgment was issued, and in the State in which the judgment is sought to be enforced? Please explain why or why not.

As a matter of fact, besides general statutory principles applied to address legal issues, each nation sets up its own regulations for specific issues. In case the infringement is non-actionable under the laws of the requested State, the judgement could be refused to recognize and enforce. The relevant rules for recognition and enforcement of a foreign judgment governed by each State will never be the same. As such, enforcing a foreign judgement must meet certain requirements given by the state where the judgement is sought to be enforced.

4. Relating to Article 5(3)(c) of the November 2017 Draft Convention:

a) Should a judgment that ruled on the validity, subsistence or ownership of a copyright or related right, an unregistered trademark or unregistered industrial design only be eligible for recognition and enforcement if given by a court in the State for which protection is claimed? Please explain why or why not.

Given that if rights are not claimed, which means rights do not exist in the State of origin, and thus, the court of that State could not rule on the validity, subsistence or ownership of rights. In such respect, a judgment that ruled on the validity, subsistence or ownership of a copyright or related right, an unregistered trademark or unregistered industrial design should only be eligible for recognition and enforcement if given by a court in the State for which protection is claimed.

b) Should there be a requirement that the validity, subsistence or ownership referred to in Article 5(3)(c) is actionable in both the State in which the judgment was issued, and in the State in which the judgment is sought to be enforced? Please explain why or why not.

To initiate a lawsuit, the validity, subsistence or ownership must be actionable in the State of origin. However, in case the validity, subsistence or ownership are non-actionable in the requested party, in our opinion, the judgement could be refused to recognize and enforce. In a broader sense, there should be a requirement that the validity, subsistence or ownership is actionable in both the State in which the judgment was issued, and in the State in which the judgment is sought to be enforced.

5) See Article 6(a) of the November 2017 Draft Convention; and also Article 8(3) of the November 2017 Draft Convention:

a) Should a judgment that ruled on the validity of an intellectual property right only be eligible for recognition and enforcement if given by a court of a contracting State in which grant or registration has taken place? Please explain why or why not.

Yes, if the IP rights are required to be granted or registered, a judgement should be given only by the court of a contracting State in which grants or registration has taken place. Because if the IP rights are not granted or registered in the State of origin, the rights are obviously invalid, so a judgement on the registration or validity is not needed.

b) In your jurisdiction, does the word “validity” subsume “registration”? If not, are they related, and if so, how?

They are related: In Vietnam, registration is deemed as the prima facie evidence of validity of IP rights. Some IP rights such as patent and industrial design are valid only if they are registered. On other hand, copyright and un-registered trademark are still valid even if they are not registered.

c) Should there be an exception in the case of purely inter parties validity judgments? For example, if validity is subsidiary to infringement and a finding regarding validity is only effective as between the parties in the infringement case, or if the validity judgment only acquires in rem effect once it has been fully appealed and becomes final. Please explain why or why not.

There should not an exception in the case of purely inter parties validity judgments. For example, in the infringement case, if there is no registration of IP rights, which required to be granted or registered, the plaintiff has no legal basis to initiate the infringement law suit.

6) Should a decision from a body other than a court, such as a branch of government or an Intellectual Property Office, in relation to an intellectual property right required to be granted or registered have the same status under Articles 5(3), 6(a) and 8(3) of the Draft Convention as decisions of a court (particularly in view of the fact that it is not just courts that can revoke intellectual property rights, but e.g. also national and regional offices)? Please explain why or why not.

In relation to an intellectual property right required to be granted or registered, a decision from a body other than a court should have the same status under Articles 5(3), 6(a) and 8(3) of the Draft Convention as decisions of a court. In some countries such as Vietnam, an infringement case could be handed through administrative proceedings by competent authorities like the Economic Police, the specialized Inspectorates and the Market Management Bureau. In addition, the validity of IP rights is also ruled by the National Office of Intellectual Property.

8. Should the application of a law other than the internal law of the State of origin of a judgment ruled on an infringement of an intellectual property right be a ground for refusal for recognition or enforcement? Please explain why or why not.

As regulated in Article 5.3 of the Draft Convention, a judgement is eligible for recognition and enforcement if the infringement happens in the State of origin. Therefore, the court of that State must apply the internal law to handle the infringement cases.

9. See Article 11 of the November 2017 Draft Convention

a) Should the Convention only cover judgments ruling on an infringement to the extent that they rule on a monetary remedy in relation to harm suffered in the State of origin (in addition to the enforceability of a cost award, see Article 15 of the Draft Convention)? Please explain why or why not.

Yes, the court of the State of origin is only empowered to rule on a monetary remedy in relation to harm suffered in that State. The infringement which happens in one state should be heard/decided, from formality to substantive issues, based on IPR established in that State, by the competent authority in that state.

b) Do you agree with the reformulation of Article 11 (previously 12)? Please explain why or why not.

Article 11 should be extended to the analogous matters, beside Intellectual Property matters. In comparison with Article 12 of February 2017 version: “A judgment granting a remedy other than monetary damages in intellectual property matters shall not be enforced under this Convention”, the reformulation is better, given that it limits the monetary remedy with the harm suffered in the State of origin.

10) Should there be a rule, such as res judicata, to prevent the re-litigation of issues which have already been determined by the court of a State? Please explain why or why not.

Yes, there should be a rule such as res judicata to prevent the re-litigation in the requested State to avoid increasing costs for re-litigation and making use of the other state’s laws to reverse the judgement which was issued by the State where the infringement happened. In addition, Article 7 of the Draft Convention has set out conditions for refusal to recognize and enforce the foreign judgement. In such regard, we opine that the parties may request to not recognize and enforce the judgement but should not re-litigate.

a) If YES, should the rule only apply between the same parties, and in relation to issues that have been finally determined with no possible appeals remaining?

Yes, the rule should only apply between the same parties and in relation to the same issues to limit the scope of the judgement. Outside this limitation, the parties are still possible to initiate other lawsuits. In addition, the judgement must be final and there is no possible appeal to ensure that the parties have the chance to challenge the judgement before it becomes final.

b) If YES, should res judicata only apply in the case of in rem judgments, or also in the case of inter partes judgments? In particular, should a prior inter partes determination of validity prevent the later re-litigation of validity, e.g. if new prior art is found which is said to invalidate a patent?

Res judicata should be applied in both in rem and inter partes judgements. In particular, a prior inter partes determination of validity should prevent the later re-litigation of validity, noting that all evidence concerning the lawsuit must be submitted for proving purpose during the proceedings and statutory time-limit always exists in each case.

11) To the extent not yet mentioned above (e.g. in your reply to question 1) above) do you have concerns in relation to res judicata rules possibly being applicable (e.g. through national laws) should intellectual property be included within the scope of the Draft Convention? Please explain your concerns and potential ways to address those.

Yes, if the case is heard in a State where the judges have limited knowledge/experience in complicated matter, res judicata rules may prevent determining the actual facts relative to the case and false judgements can be issued without re-consideration or re-litigation, adversely affecting/harming the legitimate rights/interests of the concerned parties.

12) Do you have any other comments (including wording suggestions) in relation to the intellectual property related aspects of the Draft Convention?

N/A