New points of the IP Law on protection of patent, industrial designs, layout designs of integrated circuits

Legislation and Policy Division, Intellectual Property Office of Vietnam

CONTENT

I. NEW POINTS OF THE IP LAW ON PROTECTION OF PATENT

II. NEW POINTS OF THE IP LAW ON PROTECTION OF INDUSTRIAL DESIGNS

III. NEW POINTS OF THE IP LAW ON PATENT, INDUSTRIAL DESIGNS, LAYOUT DESIGNS CREATED FROM SCIENCE AND TECHNOLOGY TASKS USING STATE BUDGET (NSNN)

- 1. Novelty of Inventions
- 2. Rights to registration of inventions
- 3. Security control of inventions prior to being filed for registration abroad
- 4. Invalidation of protection titles
- 5. Amendment to protection titles
- 6. General requirements for patent applications
- 7. Confidential inventions
- 8. Formal examination of registration applications
- 9. Opposition against registration applications
- 10. Substantive examination of registration applications
- 11. Refusal to grant
- 12. Compensation for patent holders due to delay in granting approval for circulation of pharmaceutical products
- 13. Ground for compulsory licensing of patents
- 14. Conditions of limitation on the right to use inventions licensed under compulsory decisions
- 15. Transitional provision

1. Novelty of inventions (Article 60)

Amending provisions on novelty of invention

Article 60. Novelty of inventions

- 1. An invention shall be considered novel if does not fall into these following cases:
- a) it has not yet bBeen publicly disclosed through use or by means of a written description or any other form, inside or outside the country, before the filing date or the priority date, as applicable, of the invention registration application.
- b) Disclosed in another patent application with an earlier filing date or priority date but published on or after the filing date or priority date of that patent application.

2. Rights to registration of inventions (Article 86)

Supplementing provisions allowing organizations or individuals entrusted to administer genetic resources providing the genetic resources, the traditional knowledge associated with the genetic resources by means of a contract of accessing the genetic resources and benefit-sharing to have rights to registration of inventions

Article 86. The right to register inventions, industrial designs and layout-designs

1. The following organizations and individuals shall have the right to register inventions, industrial designs and layout designs:

b/ Organizations or individuals who have supplied funds and material facilities to authors in the form of job assignment or hiring, *orrganizations or individuals entrusted to administer genetic resources providing the genetic resources, the traditional knowledge associated with the genetic resources by means of a contract of accessing the genetic resources and benefit-sharing* unless otherwise agreed by the involved parties whose agreements are not contrary to the provisions of Clause 2 of this Article, or the case



3. Supplementing provisions of security control of inventions prior to being filed for registration abroad (Article 89a)

Article 89a. Security control of inventions prior to being filed for registration abroad

- 1. Inventions in technical fields that have an impact on national defense and security, created in Vietnam and under the registration right of an individual who is a Vietnamese citizen and permanently resides in Vietnam or of an authorized organization established under Vietnamese law may only file patent applications abroad if they have already filed a patent application in Vietnam to carry out security control procedures.
- 2. The Government shall detail Clause 1 of this Article.

4. Invalidation of protection titles (Article 96)

- Supplementing grounds for entirely invalidation of patents
- + The patent application is filed not in accordance with provisions on security control
- + The patent application for invention created directly based on genetic resources or traditional knowledge associated with genetic resources while failed to disclose or inexactly disclosed the origin of the genetic resources

4. Invalidation of protection titles (Article 96) (cont.)

- Amending cases of entirely or partly invalidation

Article 96. Invalidation of protection titles

2. A protection title shall be entirely or partly invalidated when the entire of or part of the protection title fails to satisfy the provisions of this Law on rights to registration, protection condition, amendment and supplement of application, invention disclosure, first to file principle in the following cases:

a/ The registration applicant has neither had nor been assigned the right by the person with the registration right to register an invention, industrial design, layout design or trademark;

b/ The subject matter of industrial property fails to satisfy the protection conditions at the time the protection title is granted specified at Article 8 and Chapter VII of this Law;

4. Invalidation of protection titles (Article 96)

- Supplementing cases of entirely or partly invalidation
- + The patent application amendment or supplementation expands the scope of the subject matter already disclosed or stated in such application and must not change the nature of the subject matter subject to registration stated in the application;
- + The description fails to clearly and sufficiently disclose to enable the invention to be carried out by a person skilled in the art
- + The granted invention are not supported by the original specification
- + The invention fails to meet the principle of first to file

4. Invalidation of protection titles (Article 96)

- Supplementing provisions to clarify the validity of the entirely or partly invalitaded protection title

Article 96. Invalidation of protection titles

23. An entirely or partly invalidated protection title as provided for at Clause 1 and 2 of this Article shall have the entire invention or the invalidated part not taking effect from the time of grant that part fails to satisfy the protection conditions.

5. Amendment to protection titles (Article 97)

Amending provisions on amendment to protection titles

Article 97. Amendment to protection titles

1. The owner of a protection title, *organizations or individuals exercising the right to register geographical indications as specified at Article 88 of this Law* may request the state management agency in charge of industrial property rights to make amendments to the following information in such protection title, provided that the prescribed fees and charge are paid:

a/ Modifications, error corrections in relation to the name and *nationality of the author,* name and address of the author the protection title owner, the organization managing the geographical indications;

http://www.ipvietnam.gov.vn

6. General requirements on patent registration applications

(Article 100)

Supplementing provisions on explanatory document of the origin of the genetic resources or traditional knowledge associated with genetic resources for inventions created directly based on the genetic resources or the traditional knowledge associated with genetic resources.

Article 100. - General requirements on industrial property registration applications

- 1. An industrial property registration application comprises the following documents:
- đ1) Explanatory documents of the origin of the genetic resources or traditional knowledge associated with genetic resources for inventions created directly based on the genetic resources or the traditional knowledge associated with genetic resources;

7. Confidential inventions

- Interpretation of terms (Article 4)

Supplementing the confidential invention definition: an invention classified by the competent state authority as a state secret under the laws on protection of state secrets.

- Receipt of industrial property registration applications (Article 108)

Supplementing provisions on assigning the Government to detail the handling procedures of confidential invention registration applications.

Article 108. Receipt of industrial property registration applications, filing date

3. Registration application of confidential inventions shall be made in accordance with the Government's regulations.

v.vn (13)

8. Formal examination of registration applications (Article 109)

Supplementing case on refusal of invalid applications when an invention registration application filed not in accordance with provisions on security control.

Article 109. - Formal examination of industrial property registration applications

- 2. An industrial property registration application shall be considered invalid in the following cases:
- e) An invention registration application filed not in accordance with provisions on security control of inventions as specified at Article 89a of this Law.

- 9. Opposition against registration applications (Article 112a)
 Supplementing provisions on deadline for opposition against the grant of a protection title:
- within nine months from the publication date of a patent application.
- Opposition must be made in writing, enclosed with documents or cited as sources of information for proof, and must pay charges and fees.
- The state management agency in charge of industrial property rights shall handle the opposition according to the order and procedure prescribed by the Minister of Science and Technology.

10. Substantive examination of registration applications (Article114)

- Supplementing provisions allowing the state management agency in charge of industrial property rights the use of examination results of equivalent patent applications performed by foreign patent offices in the assessment of patentability.
- Supplementing provisions assigning the Minister of Science and Technology to detail the use of substantive examination results.

11. Refusal to grant protection titles (Article 117)

Supplementing case on refusal to grant protection titles (similar to invalidation cases)

- The applicant has no resgistration right.
- The patent application amendment or supplementation expands the scope of the subject matter already disclosed or stated in such application and must not change the nature of the subject matter subject to registration stated in the application.
- The granted invention are not supported by the original specification.
- The description fails to clearly and sufficiently disclose to enable the invention to be carried out by a person skilled in the art.
- The patent application for invention fails to disclose or inexactly disclosed the origin of the genetic resources or traditional knowledge associated with genetic resources.
- The patent application is filed not in accordance with provisions on security control.

12. Supplementing provisions on the compensation for patent holders due to delay in granting approval for circulation of pharmaceutical products (Article 131a)

- Patent holder is not required to pay the fee for using the patent for the period during which the initial registration for circulation of a pharmaceutical product is delayed.
- The procedure for registration of circulation of a pharmaceutical product is considered to be delayed if at the end of two years from the date of receipt of a complete application for circulation registration, the competent licensing authority for circulating pharmaceuticals does not give a written response for the first time.

- 12. Supplementing provisions on the compensation for patent holders due to delay in granting approval for circulation of pharmaceutical products (Article 131a) (cont.)
- The period of delay is counted from the first day after the end of two years from the date the competent licensing authority for circulating pharmaceuticals receive the complete application until the first written response is issued.
- Delayed time due to the applicant's fault or causes beyond the control of the competent authority shall not be included in the delay period.

12. Supplementing provisions on the compensation for patent holders due to delay in granting approval for circulation of pharmaceutical products (Article 131a) (cont.)

- In case the patent holder has paid the fee for using the patent, the paid fee will be deducted from the next period of validity maintenance or refunded.
- In order to not have to pay the usage fee, within 12 months from the date the pharmaceutical product is licensed for circulation, the patent holder must submit a written confirmation that the procedure for registration of circulation of pharmaceutical products has been delayed.
- Assign the Government to provide detailed regulations.

13. Bases for compulsory licensing of inventions (Article 145)

Supplementing provisions on the use of the invention to meet the needs of pharmaceuticals for preventing or treating the disease in another country that fulfills the import conditions in accordance with an international treaty of which Vietnam is a member.

14. Conditions of limitation on the right to use inventions licensed under compulsory decisions (Article 146)

Amending provisions on paying compensation

Article 146. Conditions of limitation on the right to use inventions licensed under compulsory decisions

- 1. The right to use an invention licensed under a decision of a competent state agency must be compliant with the following conditions:
- d) The licensee shall have to pay the holder of exclusive right to use the invention a satisfactory compensation depending on the economic value of such use right in each specific case, and compliant with the compensation bracket set by the Government by agreement, in case no agreement is reached, the Government's regulations shall apply, except where the right to use the invention is transferred under a compulsory decision to import pharmaceuticals under the mechanism of an international treaty to which the Socialist Republic of Vietnam is a member and the compensation for the use of the invention transferred under a compulsory decision has been paid in the exporting country;

15. Transitional provision

Applications for registration of inventions which have been filed with competent agencies before the effective date of this Law, shall continue to be processed according to the provisions of the legal documents effective at the time of filing of such applications, except:

The security control of inventions for invention registration application that has not yet issued a decision to grant or refusal a protection title before the effective date of this Law is implemented in accordance with the provisions of Article 89a supplemented by clause 27 of Article 1 of this Law.

INDUSTRIAL DESIGNS

- 1. Interpretation of terms
- 2. Validity of protection titles
- 3. Requirements on industrial design registration applications
- 4. Publication of registration applications
- 5. Opposition against industrial intellectual registration applications
- 6. Owners of industrial property objects
- 7. Transitional provision

II. NEW POINTS OF THE IP LAW ON PROTECTION OF INDUSTRIAL DESIGNS

1. Interpretation of terms (Article 4)

Amending definition of industrial design

Article 4. Interpretation of terms

13. An industrial design means a specific appearance of a product or a component part for assembly to constitute a complex product, embodied by three-dimensional configurations, lines, colors, or a combination of these elements and is visible during the exploitation of utility of the product or complex product.

INDUSTRIAL DESIGNS

2. Validity of protection titles (Article 93)

Supplementing provisions on the terms of validity of international registrations of industrial designs designating Vietnam via the Hague system.

- Valid from the date the state management agency in charge of industrial property rights issues a decision to grant patent for industrial designs or from the day following the end of a period of 06 months from the date of publication by the International Bureau, calculated according to whichever is earlier.
- The validity period of the international registration of industrial design is calculated according to the provisions of the Hague Agreement.

II. NEW POINTS OF THE IP LAW ON PROTECTION OF INDUSTRIAL DESIGNS

3. Requirements on industrial design registration applications (Article 103) Amending in the direction of simplification

Article 103. Requirements on industrial design registration applications

- 1. Documents identifying an industrial design registered for protection in an industrial design registration application include a description and a set of photos or drawings of such industrial design and a description of the industrial design shown in the set of photos or drawings. The industrial design description consists of a section of description and a scope of protection of such industrial design.
- 2. The set of photos or drawings of the industrial design must fully show the design features of the industrial design claimed for protection to the extent that enable a person skilled in the art to identify such industrial design.
- 2. The section of description of an industrial design must satisfy the following conditions: a/ Fully disclosing all features expressing the nature of the industrial design and clearly identifying features which are new, different from the least different known industrial design, and consistent with the set of photos or drawings;
- b/ Where the industrial design registration application consists of variants, the section of description must fully show these variants and clearly identify distinctions between the principal variant and other variants:
- c/ Where the industrial design stated in the registration application is that of a set of products, the section of description must fully show features of each product of the set.
- 3. The scope of protection of industrial designs must clearly define features which need to be protected, including features which are new and different from similar known industrial designs.
- 4. 3. The description of the industrial design shown in the set of photos or drawings must list the order of photos and drawings in the set of photos or drawings and fully define features of the industrial design.

, (

II. NEW POINTS OF THE IP LAW ON PROTECTION OF INDUSTRIAL DESIGNS

4. Publication of registration applications (Article 110)

Supplementing provisions allowing late publication of industrial design registration application

At the request of the applicant at the filing date but no more than 07 months counted from the date of filing.

5. Opposition against industrial intellectual registration applications (Article 112a)

Supplementing provisions on deadline for opposition against industrial intellectual registration applications

- 04 months from the publication of industrial design registration application.
- Opposition must be made in writing, enclosed with documents or cited as sources of information for proof, and must pay charges and fees.
- The state management agency in charge of industrial property rights shall handle the opposition according to the order and procedure prescribed by the Minister of Science and Technology.

INDUSTRIAL DESIGNS

6. Owners of industrial property objects (Article 121)

Amending provisions on owners of industrial design

Article 121. Owners of industrial property objects

1. Owners of inventions, industrial designs or layout designs mean organizations or individuals that are granted by the competent agency protection titles for respective industrial property objects.

Owners of industrial design mean organizations or individuals that are granted by the competent agency protection titles for such industrial designs or have internationally registered industrial designs as recognized by the competent agency.

II. NEW POINTS OF THE IP LAW ON PROTECTION OF INDUSTRIAL DESIGNS.

7. Transitional provision

- Applications for registration of industrial design which have been filed with competent agencies before the effective date of this Law, shall continue to be processed according to the provisions of the legal documents effective at the time of filing of such applications, except:

The provisions of Clause 13 Article 4 of the Intellectual Property Law amended and supplemented under Point b Clause 1 Article 1 are applicable to industrial design registration applications filed from August 01, 2020 that have no decision to grant or refusal a protection title before the effective date of the Law.

- Rights and obligations for industrial designs that are component part for assembly to constitute a complex product according to protection titles that have been granted on the basis of an application filed before August 1, 2020 shall be applied in accordance with the provisions of the effective law before the effective date of the Law. Grounds for invalidation of protection titles shall be applied according to the provisions of the effective law for assessment of such protection title.

- 1. Rights to registration
- 2. Rights of the State
- 3. Obligations of the organization in charge
- 4. Obligation to pay remunerations to authors of inventions, industrial designs or layout designs
- 5. Restrictions on assignment of industrial property rights
- 6. Transitional provisions

1. Rights to registration (Article 86a)

Rights to registration of inventions, industrial designs, layout designs created from science and technology tasks:

- Totally funded from the State budget: the rights to registration assigned to the organization in charge automatically and without compensation.
- Funded from variety of sources, wherein part of the funding is from the State budget: the part of the right to registration corresponds to the proportion of the State budget assigned to the organization in charge automatically and without compensation

1. Rights to registration (Article 86a) (cont.)

Except, inventions, industrial designs, layout designs created from science and technology tasks in the field of national defense and security:

- + Totally funded from the State budget, the rights to registration assigned to the State.
- + Funded from variety of sources, wherein part of the funding is from the State budget, the part of the right to registration corresponds to the proportion of the State budget assigned to the State.
- + State owner's representative exercise the right of registration.
- Assign the Government to provide detailed regulations.

2. Rights of the State (Article 133a)

- The State owner's representative **shall make a public announcement within 90 days to assign the registration right** to the organization or individual in need in the following cases:
- + Organization in charge does not fulfill the notification obligation;
- + Organization in charge has a written report to the representative of the state owner about <u>having no desire to register</u>;
- + Organization in charge does not file a registration application within the specified time limit.
- Where the registration right cannot be assigned to the organization or individual in need, the representative of the State owner **shall publicly announce** on the portal or the website of the agency managing the science and technology tasks **the content of such inventions**, **industrial designs**, **layout designs**.

2. Rights of the State (Article 133a) (cont.)

- Cases in which a competent State agency permits other organizations or individuals to use inventions, industrial designs, layout designs without the consent of the holders of the exclusive right to use inventions, industrial designs, layout designs:
- + The holder of the exclusive right fails to take, within a reasonable period of time, effective measures to use the inventions, industrial designs, layout designs with over 30% of the total capital funded by the State;
- + The use is for public, non-commercial purposes, serving national defense and security, disease prevention and treatment, ensuring nutrition for the people or meeting other urgent needs of society.

2. Rights of the State (Article 133a) (cont.)

- Pay compensations to the holders of the exclusive right to use inventions, industrial designs, layout designs where a competent State agency permits other organizations or individuals to use such inventions, industrial designs, layout designs:
- + inventions, industrial designs, layout designs totally funded from the State budget: no compensations;
- + inventions, industrial designs, layout designs funded from variety of sources, wherein part of the funding is from the State budget: no compensations for the part of the exclusive right to use corresponds to the proportion of the funding from the State budget, but shall pay compensations for the part of the exclusive right to use corresponds to the rest porportion of the funding.
- Assign the Government to provide detailed regulations http://www.ipvietnam.gov.vr



3. Obligations of the Organization in charge (Article 136a)

- To notify the State owner's representative within 30 days counted from the date of creation of the inventions, industrial designs, layout designs.
- To file a registration application in Viet Nam within 06 months from the date of sending the notification to the State owner's representative.
- To pay remunerations to the authors of inventions, industrial designs, layout designs.

3. Obligations of the Organization in charge (Article 136a) (cont.)

- To distribute after tax profits obtained from the use, licensing, transfer of rights, and capital contribution with inventions, industrial designs, layout designs after full payment of remunerations to the authors
- + under 30% of the total capital funded by the State: after tax profit corresponds to the proportion of the funding from the State budget is used in accordance with financial management regulations of the Organization in charge.

III. NEW POINTS OF THE IP LAW ON PATENT, INDUSTRIAL DESIGNS, LAYOUT DESIGNS CREATED FROM SCIENCE AND TECHNOLOGY TASKS USING STATE BUDGET 3. Obligations of the Organization in charge (Article 136a) (cont.)

- + over 30% of the total capital funded by the State::
- ✓ to pay the broker (if any) according to the brokerage contract, not more than 10%;
- ✓ Totally funded from the State budget:
- at least 50% of the remaining profit is used to invest in science and technology activities;
- The remaining profits are used according to financial management regulations of the Organization in charge;
- ✓ Funded from variety of sources:
- the remaining profit is divided among the parties in proportion to the proportion of capital contributed.
- The portion of profits corresponding to the State's capital contribution ratio is used similar to the case of totally funded from the State budget

3. Obligations of the Organization in charge (Article 136a) (cont.)

- To exercise industrial property rights according to regulations...
- To take protective measures.
- To submit an annual report to the science and technology task management agency on the implementation, rights, protective measures and distribution of profits.
- Assign the Government to provide detailed regulations.

- 4. Obligation to pay remunerations to authors of inventions, industrial designs or layout designs (Article 135)
- Amending provisions on Obligation to pay remunerations to authors of inventions, industrial designs, layout designs

Article 135. Obligation to pay remunerations to authors of inventions, industrial designs or layout designs

- 1. Except for the cases specified at Clause 2 of this Article, Owners of inventions, industrial designs or layout-designs are obliged to pay remunerations to their author by agreement; in case no agreement is reached, the payable remunerations to the authors are in accordance with the following provisions:according to the provisions of Clauses 2 and 3 of this Article, unless otherwise agreed upon.
- 2. The minimum level of remuneration payable by an owner to an author is provided for as follows:
- a/ 10% of the profit amount profit before tax gained by the owner from the use of an invention, industrial design or layout design:

- 4. Obligation to pay remunerations to authors of inventions, industrial designs or layout designs (Article 135) (cont.)
- Supplementing provisions on paying remunerations to authors of inventions, industrial designs, layout designs created from science and technology tasks using State budget
- + Minimum 10% and maximum 15% of the profit before tax that the owner earns from using the inventions, industrial designs, layout designs;
- + Minimum 15% and maximum 20% of the total amount received by the owner in each payment due to licensing of inventions, industrial designs, layout designs

5. Restrictions on assignment of industrial property rights (Article 139)

Supplementing provisions on restrictions on assignment of industrial property rights

- Only assignable to organizations established under Vietnamese law, individuals being Vietnamese citizens and permanently residing in Vietnam.
- Organizations and individuals that receive the assignment of rights shall exercise the respective obligations of the organization in charge.

6. Transitional provisions

Provisions in Articles 86, 86a, 133a, 135, 136a, 139, 164, 191, 191a, 191b and 194 of the Intellectual Property Law amended and supplemented according to Clauses 25, 52, 53, 54, 55, 66, 74 and 75 Article 1 of this Law for inventions, industrial designs, layout designs created from science and technology tasks using State budget shall apply to assigned science and technology tasks from the effective date of this Law.

THANK YOU VERY MUCH

