PART I

General Overview of Items (A) – (F)

COUNTRY: VIETNAM

A. COMMERCIALIZATION OF INVENTIONS IN VIETNAM

The commercialization of inventions is a process for making objects such as goods which can be developed in business in different ways, directly or indirectly, or manufactured and sold containing protected objects.

The enterprises should consider certain conditions before filing applications for inventions or utility solutions, such as will they create good market conditions. If after carefully considering the necessary conditions, the decision to file will be beneficial. On the contrary, the exposure of technical solutions may damage the manufacturers due to free exploitation without any royalties or expenses being paid. The conditions necessary are: the value of the commercial aspects of a solution (in which field the solution can be applied, the size of the market, current events in the applied field); technical status: whether novel, a replacement for a different invention; its licensable ability: and whether the solution is attractive to other organizations.

Based upon Vietnam's legal rules regarding industrial property transfer and technology transfer, there are some kinds of agreement for commercializing inventions. The popular modes of commercialization are assignments, licenses, grants, joint ventures and technology transfer. In each case, the owner of an invention can select or accept the most suitable and profitable manner.

- Under an assignment, ID (industrial property) objects are usually sold independently.. For objects such as inventions, these are usually assigned independently. In some circumstance, the seller can be restricted by certain conditions in the agreement to ensure the exploitation for a given term.

- The license is very popular. The owner gives permission to a third party to develop an invention under specified terms, in specified territories and with specified rights and obligations. The licensee has the right to use or exploit objects and an obligation to pay the licensor a specific amount of money. The licensor will retain the ownership of inventions, as well as the right of examining product quality, price and markets.

- A grant of using a mode of business: the owner of a mode of business may authorize others to use such mode for profit. Generally, according to this kind of agreement, the grantee can not only use the business mode but also the related IP objects as inventions. The grantor assigns marketing methods, assistance in business activity and control of business qualification to the grantee. The grantor must agree not to provide any persons with the business mode in the same local market, the grantee must undertake only to sell the grantor's products and pay a specified amount or an amount based on turnover.

- Joint-ventures: this is an agreement between parties, aiming at a general goal of mutual benefit and risk. The parties buy stock and manage business based on joint-venture contracts. Shares can be purchased with IP value – a specific amount of money. A joint-venture contract is usually attached to a technology transfer agreement. In a case where transfer technology is the protected ID object, the parties have to apply the procedures of such ID rights. A joint-venture is an effective kind of commercialization, not only of inventions but also other ID objects in developing countries.

- Technology transfer is a disseminated mode of commercialization of technology and ID objects. For technology which is patented and protected, the transferor has to grant the use of such technology. The value of technology not only includes interest of technical solution content but also technology usage rights value. Technology transfer frequently refers to production, marketing and consumption. Therefore, ID objects such as inventions are licensed for the transfer of technology.

For developing countries in general, and Vietnam in particular, to obtain investment and to approach modern production technology, management is always the best solution to narrow the gap with developed countries. Hence, an open legal system sufficient to control and, more importantly, to encourage technology transfer activities is necessary. To understand the importance of this issue for the development of the economy and society, Vietnamese state authorities have promulgated a sufficiently adequate legal system regarding technology transfer. The newest legal document is Decree No. 11/2005/ND-CP dated February 17, 2005 setting out in detail the terms of technology transfer with some new points: to extend the right of agreement for parties to the content of the technology contract; to respect the freedom of agreement guidelines of parties via exclusion regulation on restrictive agreements. The transferee has the right to improve or develop the transfer technology without notification to the transferor unless another agreement; the mechanism of evaluation and approval of technology transfer contract is superseded by a mechanism of registration.

B. PROFIT FROM ORIGINAL INDUSTRIAL DESIGNS IN VIETNAM

The Vietnamese legal system for the protection of industrial design is quite sufficient and includes Civil Code (1995); Decree No. 63/CP dated October 24 containing detailed regulations concerning industrial property, amended and supplemented by Decree No.06/2001/ND-CP dated February 1, 2001 and Circular No. 29/2003/TT-BKHCN dated November 5, 2003 by the Ministry of Science and Technology which guides the implementation of industrial property rights over industrial designs. Article 784 of the Civil Code states: “An industrial design is the outer appearance of a product represented by lines, form, and colors or the combination of such elements, which has new characteristics to the world and may serve as a model for the manufacture of industrial products or handicrafts”. An owner of an industrial design has the exclusive right to use, transfer the right to use, or to demand the competent state authority to compel the person who has infringed his/her rights to cease such acts of infringement and pay compensation for damage.

With the integration of Vietnam into the rest of the world, the effective and sensible protection of industrial designs will encourage designers to create beautiful products, to meet consumer demand and to help promote industry, handicrafts etc. and ensure competition, withdrawing capital for design development and profit. Through protection, the competitive advance will motivate the creators of other industrial designs in order to make the law realistic.

In recent years, according to data from the NOIP (National Office of Intellectual Property) the number of industrial designs in Vietnam is decreasing:

- 2000 : 1203
- 2001 : 1052
- 2002 : 836
- 2003 : 680
- 2004 : 650

The reasons are: that the effectiveness of protection is poor and many enterprises still do not realize the importance and necessity of industrial design registration.
(a Vietnamese phenomenon).

In fact, many enterprises have now recognized the problem. Yet, they still have to face two big hurdles: poor financial ability (research and marketing) and the cumbersome and overlapping enforcement authorities. In the field of motorcycle design in particular, few Vietnamese enterprises create their own designs, using instead the designs of Japan companies (Honda, Suzuki, Yamaha). To set up a specialized design department is beyond their capabilities.

C. CONTRIBUTION OF TRADEMARKS TO BUSINESS DEVELOPMENT IN VIETNAM

The registration and protection of ID (industrial property) rights in Vietnam has become more important with its integration into the world economy and the developing market economy. The effective protection of ID rights in general and trademarks in particular will encourage production, ensure fair competition and protect against counterfeiting as well as protecting the rights and interests of manufacturers and consumers. The effective protection of trademarks and other ID objects is obligatory to enable Vietnam to join the WTO.

The first legal document regarding protection of trademarks was the Trademark Regulation in 1982 issued by a Ministerial Committee (which is now the Government). In 1989, trademark protection was enhanced by the Ordinance of Trademark Protection. At the end of 1995, together with other ID objects, the rule of trademark protection was controlled by the foremost legal document - the Civil Code of the Socialist Republic of Vietnam, enacted by the National Assembly. In this Code, the protection of trademarks

and other ID objects is stipulated in Chapter II, Part VI of Civil Code. The Government then promulgated Decree No. 63/CP dated October 24, 1996 stipulating in detail ID procedures in the Civil Code.

The following is a summary of trademark registration and protection in Vietnam according to the present Civil Code:

- Protected trademarks: signs which are created by shapes, combined with words to distinguish goods from similar goods of different enterprises. Not all the words and or shapes are protected, only those signs which are distinctive and are not identical or not similar to trademarks previously filed for the same products.

- The right to apply for a protected trademark: Natural or legal persons or other entities legally engaged in services shall have the right to apply for protection for a trademark to be used on their products.

  Natural or legal persons from member countries of the Paris Convention or countries that have signed an agreement on mutual protection with Vietnam or that have accepted the principle of reciprocity with regard to the protection of industrial property, may file an application for protection and related procedures as follows:

  - If they are foreign natural persons resident in Vietnam or foreign legal persons having a legal representative or a real and effective industrial or commercial establishment in Vietnam they may, directly or through an official industrial property agent, carry out the filing of an application for protection of title and related procedures;

  - If they are foreign natural persons not resident in Vietnam or foreign legal persons without a legal representative or a real and effective industrial commercial establishment in Vietnam, they may carry out the filing of an application for protection of title and related procedures only through an official industrial property agent.

- Procedure of right of establishment: the applicant must file this at the NOIP (National Office of Intellectual Property), a sub-division of MOST (the Ministry of Science and Technology). The application is accompanied by samples and the requisite registration fee. The application will be examined to discover whether it is protected or not. If it satisfies this qualification, the applicant will be granted a certificate for a term of 10 years from the filing date, which can be renewed every 10 years.

- Protection of trademarks: in the protection period, the trademark owner has exclusive rights, including: exclusively using the trademark in business for registered products; assignment and licensing agreements and can request the competent state authorities to settle any infringement and/or unfair competition regarding ID rights.

Currently, Vietnam is a signatory to the Madrid Agreement and, besides filing directly at NOIP, foreigners who are citizens of other signatory countries can apply in Vietnam via WIPO. Trademarks registered through the Madrid Agreement are treated similarly to those filed at NOIP.

Currently, the NOIP receives 17,500 trademark applications each year from Vietnamese enterprises as well as from over 100 other countries. In recent years, the number of applications from domestic companies has increased (in 2003 an increase of 40% compared with 2002; 2004 an increase of 20% compared with 2003).

Up to now there are more than 110,000 protected trademarks in Vietnam. Of these 25% are Vietnamese enterprises and 75% foreign.

Through market research of Vietnamese consumers, we have found that, though Vietnam is one of the poorest countries in the world, with a GDP of USD400 per head, consumers purchase stylish goods. Many well-known trademarks such as: Rado, Electrolux, Sony are successful in this market. However, few domestic enterprises realize the importance of trademarks.

According to research in 500 enterprises, the building of a brand name ranks as a secondary concern after the promotion of product consumption: 4.2% consider a brand name as a competitive weapon, for 5.4%: a brand name is the property of enterprises. Only 30% of enterprises know that brand names will keep prices higher and be a source of pride to consumers. Most enterprises do not recognize the important contribution of brand names to the value of a product. The lack of consideration for intangible assets, such as brand names, together with an unclear idea of the target market, potential customers and lack of confidence in value added due to brand names, hinders investment for building and development of a brand name. Based upon the above investigation:

Regarding human resources, there are only 16% enterprises which have a specialized marketing section. In 80% enterprises there is no brand manager.

Regarding budget, there are 74% enterprises which invest in building and development of their brand name. With a turnover of less than 5%, 20% of enterprises don't pay for this to be done. The majority of Vietnamese enterprises only care about production and consumption and are not interested in carrying out market research, building a business strategy and promoting their brand in order to seek a competitive edge. Or they make no investment in the building of their brand names.

The main reason is that more than 90% of Vietnamese enterprises are small and medium-sized with restricted potential. Therefore, they need assistance from the Government on many aspects of their business:

***The main difficulties are*:** Capital and finance (23%), counterfeit and copyright violation (19%), policy mechanism (14%), human resources (11.8%), building strategy and carrying it out (8%), administrative procedures (7.2%), service prices (6.3%).

***Regarding state policy*:** the regulation at the law on company tax on spending for marketing, advertising and promotion, not exceeding 7% of the total expenses is a big constraint. The lack of acknowledgement of promotion, building brand names as a long term investment, spending restraints on building brand names, ensures that the enterprises will be unable to build a competitive capacity in the future.

D. CONTRIBUTION OF COPYRIGHT IN VIETNAM

Together with the development of the country, Vietnamese society has been concerned with IP rights in general and copyright in particular. When talking about literary, artistic or scientific works, people do not usually consider the position of the author. They think that with a creative work the rights and interest the author will receive is a mechanism of the establishment of those rights and interest and it is more important to protect the rights and interests of authors if they are infringed. As Vietnam is a signatory to the Berne Convention (October 26, 2004) the copyright issue seems to attract much attention.

Article 750 of the Civil Code stipulates that: The author's rights include his/her personal (moral) rights with regard to the work created by him/herself. Article 754: Copyright shall come into effect from the moment when a work is created. However, the real situation of copyright registration activity shows that the establishment of works is extremely important for authors. This is shown via the proven value of a copyright certificate granted by the Vietnam Copyright Office in the event of dispute to determine who is the rightful owner.

From the practicalities of state management on culture and information, the fields where copyright is seriously infringed are publishing; production of videos, cassettes and disks and works of art. These infringements directly affect the rights and interests of the author.

Copyright infringement is a global issue. In Vietnam, due to IP rights in general and copyright in particular there are new legal problems in that the infringers themselves do not know which of their actions violates the law. In many cases, the infringers consider their action as normal. These include publishing, production of videos, cassettes or disks without the permission of the author or payment of royalties at the most basic level and outright theft of stage and music programs on a higher level.

The reasons for copyright infringement are that the protection of copyright is complicated as is the implementation process. This concept is still limited, even among those possessing the related rights and obligations. Meanwhile, due to economic targets, few individuals and organizations enforce legal rules, regardless of ethics and in their pursuit of profits, they violate the legitimate rights and interests of others.

For art and cultural activities, there are many copyright regulations but there is a lack of a legal basis in management and inspection to settle infringement when dealing with specific case.

The legal system of copyright and the enforcement apparatus are not synchronized. Management offices pay attention to building and perfecting copyright regulations but do not yet care about training or improving the quality of the enforcement apparatus to guarantee that these regulations are implemented effectively. The cadres and civil-servants in the management offices who are in charge of copyright at all levels do not have to complete their tasks. There is no cooperation among related agencies, especially between cultural and information agencies and customs and market control. Moreover, sanctions are unclear.

A positive factor for protection of legitimate rights and interests of authors is a system of collective management organizations. Currently, there are three models: the Vietnam Centre for Music Copyright Protection; the Vietnam Centre for Literary Copyright; the Vietnam Record Industry Association. However at present there are no mechanisms to oversee these activities (without collective management regulations).

In short, the legal aspect of copyright is quite a new issue for Vietnam. Nevertheless, the pressure of international public opinion, especially when Vietnam accepts the terms of the Berne Convention means that the main issue is to build a sufficiently effective legal system and, most importantly, an effective system of enforcement.

E. VALUATION AND ASSESSMENT OF IP RIGHTS IN BUSINESS ENTERPRISES IN VIETNAM

The valuation and assessment of IP rights is highly necessary for making the right decisions in every business situation. The most popular targets for valuation and assessment of IP rights are:

- Dealing with IP rights
- Defining the rate of copyright royalties
- Financial reporting
- Tax calculation and claiming for damages

In many cases, dealing with a trademark or a patent which has been protected or granted a certificate will reduce costs if compared with the implementation of design, usage or research from the outset. Therefore the exact valuation and assessment of IP rights of an enterprise is very important for making an accurate decision about investment strategy and aiming at optimizing capital utilization.

Instead of buying or investing in a trademark or patent from the outset, enterprises may pay a sum of money to license IP rights at a pre-determined time. To decide on a reasonable fee, an enterprise should analyze its current and potential value for such IP objects for both licensor and licensee.

Few of the present systems consider carrying out an audit of the value of IP rights. However, the economic value of IP rights is extremely important as sometimes they are major assets, taken into consideration in business transactions. Many enterprises have

to spend a lot of money on research and marketing projects to register a patent or trademark. The investment of intangible assets takes longer than investment of tangible assets. In many cases, a financial report based on traditional principles does not show the situation and economic development prospects of the company, which is necessary for both the owner as well as the potential investor and for financial companies to decide on the value of the enterprise's IP rights. For tax calculations and claims for damages before a court of law, in some cases the person concerned needs to supply professional opinions regarding the sum of money paid or to pay according to the IP rights value. Current principles are not enough to apply to practical situations and the competent state authorities do not have the ability to assess precisely the value of IP rights for each enterprise. Companies should present ideas for valuation and assessment based upon accepted methods in order to convince the competent authorities.

The economic value of assets usually depends on interest rates compared with investment expenses. For IP rights, the economic value is mainly affected by legal protection status, participation in the market and financial elements.

Without legal protection for the owners, IP objects will be worth nothing. Otherwise why do we have to buy or license technology (an invention or utility solution) if we can use it free; and why do we have to buy or license a trademark if we can use it without violating anybody's rights? Hence, a sufficient IPR mechanism is a basic need for the creation of the value of IP rights.

Participation in the market is an important requirement for a trademark which gains in economic value. Trademarks are only able to inform consumers about the origin and characteristics of goods especially when it is well-established in the market. A prestigious trademark will attract consumers to buy products of a well-known manufacturer over products which may be better but which bear a new trademark that is unknown in the market. The use of prestigious trademarks will enhance consumption and gain the confidence of consumers. This will increase turnover and interest for the producer. Although a trademark is legally protected if it is unused, that trademark has no value. Consequently, the value of a trademark expresses the prestige of an enterprise and of the products and services bearing that trademark.

The capacity which enters into business and the participation of technology and technology products is a very important requirement for the creation of the value of technology. The patented solution itself does not have an economic value without other conditions such as: capital, technical and other resources to ensure application of the solutions.

The assessment of risks relating to the interest potential or income of the use and exploitation of IP rights significantly affects their value. Inflation rates, capital expenses, interest rates are important factors in influencing the economic value of IP rights. If a protected IP object is on the market but not making a profit due to a reduced outlay in the production and marketing process that object only has a limited value

In the future, the demand for valuation and assessment of IP rights in Vietnam will rise for the following reasons:

- The globalization of trade activities and international investment forces, requiring greater Vietnamese integration into the general development of the region and the world as a whole.

- Foreign investment activity is developing with many different kinds of investment, attracting domestic enterprises into business transactions with new and complicated issues, among them IP rights.

- Technology transfer is developing strongly due to demand for raising production capacity and improving products.

- Investment for technological development serves industrialization, with special importance attached to modernization. The budget for research projects occupies an important place in the technological development structure; management mechanisms and the implementation of programs.

- Business activities in the private sector have created competition. Demand for capital, joint ventures, mergers and acquisitions are increasing because of the requirements of competition and development in business activities.

F. ACCESS TO CAPITAL BASED ON IP ASSETS-FINANCIAL SCHEMES (LOANS, GRANTS) BY GOVERNMENT INSTITUTIONS AND PRIVATE CAPITAL IN VIETNAM

In the market economy, an enterprise is also a valuable type of asset. The value of an enterprise includes: its tangible and intangible assets. The tangible value of an enterprise is the value of its assets such as workshops, equipment, machinery, etc. The intangible value comprises IP assets, company prestige, business location, skills of management and personnel.

In the earlier central plan mechanism, we were only aware of tangible values and were not concerned with intangible values. Moreover, much tangible property is outdated; therefore its value is often low. According to statistical data in 1990, the total tangible value of 6000 SOEs (state owned enterprises) was equal to one large business in a developed country. To date, much damage has been caused because intangible values have been unrecognized, especially in the following ways:

- Losing intangible capital due to selling SOEs to other domestic and foreign economic sectors.

- Diminishing the capital contributed by the Vietnamese partner in a joint venture with foreigners due to not taking into account the intangible value of an enterprise.

In a joint venture, each of the parties contributes something of value to a newly-formed entity, one designed to oversee the new business endeavor. Such an arrangement allows

several parties access to pooled capital, technical, management and intellectual property resources. Because of the intangible nature of IP assets, it is especially important that the methods for identifying, transferring and retaining IP rights are clearly spelled out in any agreement between the parties

Normally, Vietnamese partners contribute land as soon as the project starts. Recently, the price of land has dropped, so the capital contribution of Vietnamese partners has also dropped.

While assessing the contribution of capital to joint ventures, Vietnamese enterprises usually consider tangible assets such as land and equipment and do not pay attention to intangible assets such as IP rights. However they should be concerned as the value of intangible assets can be very high.

Because of the high value of IP assets, foreign enterprises always express concern for protection and development of such assets. In joint ventures, trademark prices usually represent a major part of the value. There are many enterprises which participate in joint ventures only by contributing their trademark. In Vietnam, a few joint ventures such as Viet Ha Brewery Company have determined the value of a trademark, with their calculation of the value of the trademark 'Halida' in the sum of USD 550,000; P/S (toothpaste) at a value of USD 5.3 million, Sai Gon beer at USD 9.5 million. However, such enterprises are very few. Therefore, it is a pressing issue to find a suitable method to calculate intangible assets in general, and IP assets in particular must be the first consideration in the context of globalization, commercialization and the position of Vietnam as a member of the WTO in the near future.

In the protection and development of intangible assets, IP activity plays an important role as this activity contributes to the development of science, technology and modernization and industrialization of the national economy. The real situation of IP activity in Vietnam proves that if any enterprise knows how to organize IP activity effectively its competitive capacity will increase. The utilization of IP assets offers opportunities to enterprises to develop quickly.

PART II: SUCCESS STORIES

Case Study 1

General Information
COUNTRY: VIETNAM
COMPANY NAME: VANDIEN FUSED MAGNESIUM PHOSPHATE FERTILIZER COMPANY
CONTACT ADDRESS Contact Person : Bui Quang Lanh Designation : General Director Business Address : Vandien Town – Thanhtri District – Hanoi Tel No. : 84 4 6884489 Fax No. : 84 4 6884277 E-mail : vafco@vnn.vn Home Page (if any) :

Description of Success Story No. 1 :

1. Title:

APPLICATION OF SCIENCE AND TECHNOLOGY IN MANUFACTURING TO PROMOTE EFFICIENCY IN BUSINESS AND MANUFACTURING AND PROTECT THE ENVIRONMENT

2. Type of IP concerned

Over the last 10 years, the Van Dien Thermophotsphate Company has studied and applied hundreds of scientific solutions in business and manufacturing; among which six solutions have been granted patents for invention and patents for utility solutions which have resulted in the WIPO Award presented to the company in 2002 by the World Intellectual Property Organization; namely:

- Patent for Invention No. 1991 dated April 12, 2001
- Patent for Utility Solution No. 265 dated August 9, 2001
- Patent for Utility Solution No. HI-0030 dated January 11, 1991
- Patent for Utility Solution No. HI-0031 dated January 11, 1991

- Patent for Utility Solution No. HI-0089 dated October 17, 1992
- Patent for Utility Solution No. HI-0167 idated August 30, 1996
- Certificate of Trademark Registration No. 57821 dated October 6, 2004

3. Background

Van Dien Thermophosphate Company (formerly Van Dien Phosphate Factory) is a state enterprise which was established in 1960 with the help of China and which officially started manufacturing thermophosphate fertilizer (FMP) for agriculture in 1963. The equipment used to manufacture thermophosphate fertilizer is a blast furnace, which is also called a high furnace.

The whole primary production line was installed by China including two blast furnaces with an output capacity of 10,000 tons per year.

The material used for manufacturing is apatite type 2 in the form of clots (Lao Cai apatite ore), whose P_2O_5 content is between 22% and 24% and secpentin (Thanh Hoa secpentin ore) with a particle size of 25 ÷80 mm.

The fuel used to manufacture thermophosphate fertilizer with 15-17% P_2O_5 was imported coking coal with a particle size of 25-100 mm. According to the design, the consumption norm of coking coal is 0.36 ton/TSP, the consumption norm of electricity is 107 Kwh/ton BTP. As the blast furnace could only use only ore clots with a particle size of 25-80 mm, particle sizes below 30 mm were eliminated.

During the 1970s–1980s, in order to promote agricultural development, the state had a policy of developing the production of domestic fertilizer. The output production capacity of thermophosphate fertilizer in this period increased from 20,000 tons per year to 40,000 tons per year.

The Chinese technology was applied to the newly-constructed production line with imported coking coal as the fuel. To produce 40,000 tons of thermophosphate fertilizer, 36,000 tons of coking coal were needed. During the 1970s-1908s, a ton of coking coal cost 120 US$ (the current price is US$ 300-400 a ton). Up to 1975, due to the lack of dollars, the construction of an expanded production line and blast furnace not only in the Van Dien phosphate fertilizer factory but also in other parts of the country had to be postponed. The production target for 1970-1980 was 40,000 tons per year, however, in 1979, only 10,000 tons were produced, meeting 2,5% of the production target. The thermophosphate fertilizer industry was in danger of coming to a halt. Moreover, it was a handicap for the thermophosphate fertilizer industry that during the subsidization period, although transportation and production were susidized and the farmers using fertilizers were supported by the state, thermophosphate fertilizer products were very hard to obtain. As a result, the area fertilized was small and the potential market for thermophosphate fertilizer was enormous.

The material used to produce thermophosphate fertilizer is apatite ore type 2 and high-content secpentin ore. The size of the material particles required was 25-80mm but the imported apatite and sepentin ore contained particles of 0-250 mm. The particles below 25mm made up only 25%. During the process of breaking and screening the 0-250mm particles to obtain the 25-80mm particles, the proportion of shattered particles increased to 5-10%. Therefore, for one ton of inported raw material, only 65-70% could be used with the eliminated smooth ore accounting for 30-35%. During 30 years of production, many solutions to this problem were proposed, but none was successful. This became urgent for the thermophosphate fertilizer industry because if the waste could not be used, both the interior and exterior environment would be polluted, the consumption norm would be high leading to high prices and damage to natural resources, etc.

In such a difficult climate and in order to save itself and contribute to the development of the national thermophosphate fertilizer industry, making use of the rich material and fuel resources as well as the solid waste, to reduce prices and increase the quality of its products, the Van Dien Thermophosphate Company has had to use science and technology to concentrate especially on the following:

- Studying new scientific and technological solutions, applying them in manufacturing using domestic materials and fuel resources; reducing prices, increasing product and environment quality; meeting the requirements of domestic and export markets.

- Expanding the domestic market and promoting the expansion of the export market.

- Managing and training staff and officers so as to enhance knowledge, and skills among managers, technical officers, technical workers, etc. to meet the requirements of applying the new technology and the production requirements for the markets, especially in the process of intergration of all regions of the country.

The remit of science and technology research focused on the following fields:

- Studying the use of domestic antraxit coal instead of imported coking coal in order to use 100% loally-produced material and fuel for the manufacture of agricultural fertilizer.

- Studying how to improve the performance of blast furnaces to correspond to the domestic antraxit coal in order to raise productivity, reduce the consumption of material and power and other expenses.

- Studying how to use under-sized materials in manufacturing in order to reduce consumption, reduce environmental pollution and make full use of the country’s natural resources.

- Studying how to improve product quality in order to meet domestic and export demand.

- Studying technology for processing solid waste, waste water and waste air to meet the criteria of environmental hygiene.

- Cooperating with agricultural scientists to study and produce specific fertilizers for certain kind of plants or for a certain period of development; training farmers in the right way to use fertilizers which would reduce costs but increase productivity and plant quality.

Development and Use of IP in Business Strategy

Many technical solutions applied in the business of manufacture have solved many problems in manufacturing melt phosphate fertilizer in our company as well our country. This has played a decisive role in the existence and development of Vietnam's phosphate fertilizer industry for several years and will continue in the long-term. Our aim is:

- To use 100% domestic antraxit coal instead of imported materials for manufacturing phosphate fertilizer.

- To improve the capacity of the kiln to suit the technology for manufacturing phosphate fertilizer from domestic antraxit coal. Thanks to these measures, productivity has increased by 600%. The norm for coal loss at the mouth of the kiln has been reduced by 67.7%, from 0.62 to 0.22 tons per total of semi-manufactured product. The norm for lost electricity in operating the kiln has reduced by 67%, from 145 to 45 kWh of the total product. At present the company's capacity has increased 8.6 times compared with 1989. The norms for coal loss and electricity wastage are now lower than those in Japan and China. After a decade of applying these solutions, we have saved 407.000 tons of coal and 61.000.000 kWh electric power, maounting to 253 billion Vietnamese Dongs. It means that billions of Vietnamese Dongs are saved every year in comparison with the past.

- To increase the quality of the phosphate fertilizer product and to meet all requirements for domestic use and export. Up to now, the apatite ore type 2 has enabled the manufacture of phosphates with 13.5%-15% effective P_2O_5; After applying the above solutions, the quality of the product has reached a level of 15%-17% effective P_2O_5, 17.5-18.5% effective P_2O_5 and over 19% effective P_2O_5. This fertilizer is now exported to other countries such as Australia, Japan, Malaysia, Taiwan as well as being used on the domestic market.

- The solutions in environmental treatment.

  a. Solid waste treatment: Our technology can comprehensively treat solid waste (small-sized ore); convert 100% solid waste into material for manufacturing phosphate fertilizer, reduce pollution, reduce the norm for coal loss from 1.6 to 1.25 tons using 21.8% less. In 10 years, the company has saved 287.000 tons of fine ore with a saving of 51 billion Vietnamese Dongs.

  b. Waste water treatment: to meet the requirements for acceptable quality and recycling of industrial waste water; the amount of recycled waste water is 600m^3/h (4,800,000m^3/year) and there is no longer a need for the three pumps normally used

to draw underground water, thus recovering over 2,000 tons of fertilizer, with the total cost reduction amounting to 7 billion VN Dong a year. The most important thing is the recycling of waste water, minimizing the flow and saving underground water resources.

c. Exhaust gas treatment: All of the production lines in the company have an exhaust gas treatment system to meet the requirements for exhaust gas quality. We have also carried out much research to find solutions to reduce the amount of exhaust gases.

These solutions have resulted in an improving environment all around the company. From a company with a polluted environment inside and outside it has become the Blue-Clean-Nice company with an improving environment. In 2002, the company had the honor of receiving a certificate of merit awarded by The Ministry of Science, Technology and the Environment for its achievement in protecting the environment and winning "the 2002 environment protection prize".

- Solutions for anti-corrosion of the transfer lines of the equipment: In the production of fertilizer, the level of chemical and mechanical corrosion is very high and all equipment had to be replaced each year. The company was able to find many solutions and apply them to its production. Up to now, most of the equipment is still used but does not need to be replaced, saving billions of VN Dongs per year.

- Solutions for developing and expanding the fertilizer market. In the atmosphere of a centralized economy, the amount of Van Dien fertilizer produced is small, so the market is narrow and most people are not familiar with the product. This is a disadvantage for a production company and Van Dien attaches special importance to the combination of "Government, company, scientists and farmers" as a key to its development.

In recent years, it has collaborated closely with agricultural scientists to find specialized fertilizers to be used for specific plants in each growing phase. Simultaneously, farmers have been trained in how to use fertilizer to good effect. Annually, the company spends billions of VN Dongs on training for between 100,000 and 120,000 farmers.

By applying technical solutions to the production process and environmental protection, the company has been shown appreciation by the Hanoi people's committee as a company with a good record in protecting the environment.

In our business, the effect of the technical solutions applied is very good. This has been the key to deciding the viability and the steady development of our company in the past and for the future. The product offers high quality, an acceptable price, high adaptability for plants in all regions. Therefore, in recent years, in spite of facing many difficulties, the company is still developing. In 1989, the yield was 27,000 tons; in 2001: 128,000 tons; in 2004: 308 tons. Also, the profits and the number of workers have increased. Van Dien's contribution to the national budget has also increased and the living standards of the workers have been considerably enhanced.

Van Dien fertilizer not only meets all the increased requirements of the domestic market, but also of foreign markets such as Australia, Japan, Malaysia and Taiwan. The quality and design of the product have been well accepted. In return for the export of one ton of the products, the company makes a profit 5 to 10 times higher in comparison with delivery to the domestic market.

In particular, Van Dien melt phosphate fertilizer has a high potential in the south and western plateau region. If in 2001, the demand was only 41,000 tons, in 2005 it was over 110,000 tons (approximately 90,000 tons in the first six months). Consumption in these markets increases annually from 20 to 30%.

All these achievements help to lower product costs, brighten the image of the company and create a highly-competitive advantage as the high quality of its product, which meets the requirement of the consumer, ensures that the company develops daily. Yield and profits are increased with the improved environment. Concretely, in 1989, the yield was 27,000 tons of fertilizer for a profit of 17 millions VN Dongs. In 2004 the yield was 308 tons (multiplied by 11.5); the profit was 15.2 billions VN Dongs (multiplied by 895).

Impact on Productivity (*e.g. how IP has contributed towards market dominance, company image, sales, quality, productivity and profits)*

The company's productivity has increased up to 600%thanks to the application of new technologies and the grant of patents, thus, creating great economic efficiency and helping the company reach the advanced standards required in the world's markets. The Van Dien Phosphate Company therefore does not need to request more state capital for investment. From the research stage to the stage of application of manufacture, the company only utilizes its own capital. It is also able to complete the work rapidly and the effectiveness of capital and profits is high.

The research work for innovating blast-furnaces using 100% antraxit coal helped the company to receive the State Award in the Field of Science and Technology of 2000; the first prize of the VIFOTEC Award in the fields of machinery and automobiles in 1998.

The Company also received an award from the World Intellectual Property Organization (WIPO) in 2002.

A patent for application of invention has brought great benefits to the standing and the development of the Van Dien Phosphate Company and the manufacturing of phosphate in Vietnam as well.

- **Lessons and the direction of science and technology in the period from 2006 to 2010**

  i. Lessons:

  a. Attach importance to the study and application of new scientific and technological solutions in manufacturing – this should be the first priority.

Nowadays, Vietnam is in the process of integration and competition among products is severe, so in order to improve competitiveness, quality must be high to meet customer demand and the price must be low. This can only be achieved by studying and applying new scientific and technological solutions.

b. Be well aware of party and state policies. Make use of support from other branches and trading partners.

c. Coordinate closely with agricultural and industrial scientists, help to develop their knowledge to solve the company's difficulties and at the same time, develop the company's strength.

d. Train and re-train staff in order to improve their knowledge, management and professional skills and help them understand new technologies and develop their creativity.

ii. Direction of science and technology development in the period from 2006-2010:

Starting in 2006, our country will be entirely integrated and market competition will be more severe. The Van Dien Thermophosphate Company will continue to develop solutions in science and technology, marketing and training in order to manufacture highly-competitive products not only for the domestic market but also the global market. The development of thermophospate and NPK products from thermophosphate is a source of strength for Vietnam due to the following reasons:

- We can use 100% domestic material and fuel to manufacture high-quality products to meet domestic and export demand.

- The company has scientific solutions which have been granted patents for invention and patents for utility solutions and can be applied in manufacturing thermophosphate products with domestic material and fuel, with a higher rate of productivity but lower consumption of fuel and power than Japan, China.

- As regards the soil, 80% of Vietnam's soil is a mixture of acid, swampy infertile and mountainous infertile soil, in which plants not only need phosphorus, protein, potassium but also Ca, Mg, SiO_2 and other microelements. It is, therefore, sensible to use thermophosphate fertilizer and NPK made from thermophosphate.

Countries such as Japan, China, Australia, India, Malaysia, etc. still use large amounts of thermophosphate. In Japan, only nine million tons of rice is produced a year but annual consumption of thermophosphate fertilizer is 20,000 tons.

Based on the particular traits of thermophosphate products and Vietnamese soil as well as the demands of neighboring countries and in the rest of the world, if we can carry out

successful research in science and technology, combining the four professions and guide farmers in the use of fertilizers in an effective way and promote export, the Vietnamese thermophosphate industry will become highly developed with an output of millions of tons annually.

i. Some information about the inventor

The chemical engineer with great energy

Two great honors have come to Bui Quang Lanh, the diligent and eager-for-knowledge chemical engineer: He has been awarded the State Prize for the project "improving blast furnaces, manufacturing thermophosphat fertilizers with domestic anthracite coal" by President Tran Duc Luong; and at the same time, has received the 2000 Emulative Warrior award for his contribution to science and technology achievements in Vietnam.

Bui Quang Lanh was born on October 19, 1949 in Kien Xuong, Thai Binh, to a traditional family, in a poor, crowded environment that was however rich in discipline and Confucian traditions. Lanh is the eldest of nine children, so the burden of the family seemed to fall upon him, especially after his father (his greatest moral support) died leaving his mother and small brothers and sisters. Sometimes, he seemed unable to overcome his difficulties, but thanks to his own energy and intelligence together with the efforts of the whole family, Bui Quang Lanh finally overcame all the obstacles to become the Director of the Van Dien Thermophosphate Company. His brothers and sisters all received good educations and became engineers, doctors and useful members of society.

Following his successful graduation from the thirteenth course (1968-1973) of the Faculty of Industrial Chemistry and Equipment, University of Technology in 1973, in 1974 Bui Quang Lanh decided to work for the Van Dien Thermophosphate Company (in the suburbs of Hanoi) after refusing many other "good" offers, as he desired to apply what he had learnt in real life situations and produce good agricultural materials for 80% of the farmers in the country, including the poor area of Thai Binh, his homeland.

As Lanh recalled, when he started to work at the Van Dien Phosphate Fertilizer Company it was in trouble: Half of the factory (including 2 blast furnaces) had been inoperative for six months because the waste processing system was not suitable and the use of chemicals had eroded the machinery. Scientific officers at the company had tried their best to find solutions but had been unsuccessful. Quite by chance, Tran Kiem, the director at that time, bravely assigned to the young engineer Bui Quang Lanh the task of solving the blast furnace break-down problems, and at the outset, he knew that he had to carry out the task with dedication and determination.

Thanks to his knowledge and enthusiasm as well as experience gained from the successes and failures of the company's technical officers, Bui Quang Lanh quickly found the cause and suggested three different ways of solving the problem, surprising many people. The Director, Tran Kiem was very happy, and his belief in Lanh grew. He decided to give Lanh and his colleagues the task of studying and designing methods of applying domestic technology to the improvement of Chinese air waste processing

for four blast furnaces rather than two. The method that Bui Quang Lanh and his group had chosen was soon approved by the Technical Council of the General Chemical Department although many people were still dubious of the success of the project. However, after only 15 days of design and one month of work, the air waste processing line worked well giving an increase in air waste of 200%, which enabled all four furnaces to continue working and prevented the factory from the danger of closure. It was due to that success that Bui Quang Lanh's project was greatly appreciated by not only the factory's management committee but also the General Chemical Department and he was given the honourable title "National Creative Youth"

At the end of the 1970s and the beginning of the 1980s, Vietnam's relations with China became so strained that China stopped giving material support and the Company had to import 25-80mm coking coal, which was very expensive whereas the policy of the chemical industry was to expand production and increase the thermophosphate fertilizer output from 40,000 tons per year to 400,000 tons per year. The norm for the Van Dien Thermophosphate Fertilizer Company was only 10,000 ton per year. Generally speaking, the thermophosphate fertilizer industry was in great difficulty at that time. The construction of blast furnaces at Ninh Binh Factory and Supe Lam Thao Factory had to be suspended. The Van Dien Thermophosphate Fertilizer Company itself would have had to stop production if it had not renovated its technology and use of domestic material.

Under such circumstances, Bui Quanh Lanh was once again asked to study the use of domestic materials, anthracite coal instead of coking coal and, at the same time, improve blast furnace measures to be suitable for the new material. "Adversity brings wisdom" and after many days pondering on renovating the technology and replacing the material, Lanh and his partners finally succeeded in designing suitable blast furnace measures for the production of thermophosphate fertilizer with anthracite coal. This solution was granted a patent for invention and was immediately put into production. As a result, all three furnaces were improved and ran completely on anthracite coal, the output capacity becoming eight times as high as it had been before. Coal consumption was reduced to 67%, but, more importantly, the quality of thermophosphate fertilizer was much higher. Moreover, formerly, when coking coal was used, the useable ore only accounted for 65-70%; the rest was useless smooth ore, which was piled at the company's dumping ground causing environmental pollution, wasting natural resources and keeping prices high. Bui Quang Lanh and his partners successfully devised and applied a method of creating inorganic adhesive to curdle the smooth ore waste to make it suitable for blast furnaces. The smooth ore was made full use of and resulted in more products for the company. This is a utility solution which was granted a patent, and it has enabled the company to make use of nearly 300 thousand tons of smooth ore with the saving of tens of billions of VND.

In May, 2002, the Vietnam Chemistry Corporation appointed engineer Bui Quang Lanh to be the director of the Van Dien Thermophosphate Fertilizer Company. In the same year, he was entrusted with the responsibility of the secretary ship of the party committee. In his new position, over the past year, he has, together with the managing board of the company, proposed new policies, novel methods of marketing and production as well as training, science and technology programs, etc., in which quality and price are standards the company has always maintained and improved to produce

thermophosphate fertilizer to the best advantage of farmers. In order to offer good products, apart from perfecting technology, the company has paid attention to improving staff skills and consciousness of their responsibilities in each sector. On each package of fertilizer, the production date, production shift and the name of the packager are all clearly written. Furthermore, in 2003, the company arranged for 400 workers to take part in a market survey. On general questions about the market economy, customers, direction for development or general questions such as: “How many kinds of fertilizer does the company produce?” or: “How to differentiate and use each kind of fertilizer”; “the price of each type of fertilizer”, etc., the workers all gave correct answers. The competition was of great significance. It not only helped to improve scientific and economic knowledge but also created opportunities for the workers to become aware of the usefulness of their work and their products to society, the company and themselves, resulting in a greater sense of responsibility. Thanks to these factors, the products of the Van Dien Thermophosphate Fertilizer Company received a warranty that few other countries can boast; not only after the goods are delivered but also throughout the crop-growing season.

Case Study 2

GENERAL INFORMATION
COUNTRY: VIETNAM
COMPANY NAME: KYMDAN-SAIGON RUBBER JOINT-STOCK COMPANY
CONTACT ADDRESS
Contact Person : Nguyen Huu Tri
Designation : President
Business Address : 28 Binh Thoi – 14 Precinct – 11 District – Hochiminh City – Vietnam
Tel No. : 84 8 8657158 Fax No. : 84 8 8657419
E-mail : Home Page (if any) :

Description of Success Story

1. **Title:**
   KYMDAN – 50 YEAR JOURNEY TO BRING ABOUT A STRONG BRAND

2. **Type of IP concerned** (e.g. TM, ID, Patent, etc.)

Important milestones:

- At 15:00 on March 19, 1954: the first KYMDAN white mattress was produced measuring 1 x 2 x 0,5m. During the manufacturing process the mattress mold was heated by soaking it in a huge container of boiling water heated by rice husks.

- 1960 saw the beginning of a new stage of expansion into foreign markets with the exhibition of KYMDAN mattresses at the Vietnam Products Exhibition in Japan. At that time, Mr. Nguyen Van Dan, founder of the KYMDAN Company, attended the exhibition in his role as the supervisor of Vietnamese products.

- On September 26, 1962 a license was granted for patent No. 831 for enhanced ventilation features.

- On February 10, 1984 patent No. 2559364 was granted by France.

- In 1993 the company received a certificate (awarded annually) for environmentally-friendly products by the Committee of Environmental protection of the Federal Republic of Germany and for anti-flammability, enabling the product to be distributed throughout Europe.

- In 1999 trademark protection registration abroad began. At present the company has had certificates granted in more than 74 countries and territories.

- In 2003 an ISO 9001:2000 certificate was granted by AJA, UKAS, QUACERT.

- In 2003 The People's Committee of Ho Chi Minh City chose KYMDAN as the city's key industrial manufacturer.

- In 2004 the company received an award from the World Intellectual Property Organization (WIPO) for creative companies which are highly-appreciated in the world's market.

What KYMDAN has achieved now is not enough. Protection of its achievements through the IP system is the area now receiving attention. Up to now, KYMDAN has protection for 21 trademarks, with 24 patents certificates granted and 22 industrial property objects already registered. The number of protection registrations is increasing with new ideas and innovations contributed by its staff.

3. **Background** (historical conceptualization of the concerned technology, product, business etc.)

A protected trademark will increase the possibility of a customer preferring a product only if the business knows how to create a strong brand; making products with a special position in the market widely advertized and preferred by customers. This always has to be based on the quality of the products and services offered.

One of the Vietnamese businesses which has already achieved both trademark success and recognition is: the Saigon - KYMDAN rubber joint-stock company, which has been a strong brand for almost five decades. The business also received a creativity award from the Award Council of the World Intellectual Property Organization (WIPO) in 2003.

It is fair to say that KYMDAN's history began at 15:00 on March 19, 1954, when the first mattress was produced. During the production process, the mattress mold was heated by soaking it in a large container of boiling water heated by rice husks. This event not only marked the establishment of a business but it was also an obvious step forward for Vietnamese industry in a period when almost all advances in science and technology came from abroad.

Mr. Nguyen Van Dan - the founder of KYMDAN mattresses was at that time a technical specialist at the French Labbe rubber company in Vietnam. He introduced the idea of producing mattresses from natural latex materials because these materials were easily available in the country. The first mattresses were produced in ready-made molds and that established the basis for further research and improvement to create KYMDAN's present product lines. That success nurtured Mr. Dan's ambition of creating a "multi-industry mousse technology", which is why he chose the name "KYMDAN" for his products (KYMDAN was abbreviated from multi-field mousse technology). KYMDAN can also be understood as "Dan's mousse technology" because at that time it was something new in the natural products industry, a separate specific technology that was so far unknown.

Within less than a decade from its foundation, KYMDAN's mattresses have conquered world markets starting with an exhibition of products sponsored by the Government of the Republic of Vietnam in Japan in 1960. This was not only a "phenomenon" but it was also a matter of pride for the whole new-born industrial and manufacturing sectors at that time.

Although KYMDAN mattresses sold widely inside and outside the country, the goal of improving the product and its quality was constantly pursued. Research to increase the ventilation features, to give the mattresses the structure of an open beehive and to increase the surface contact, was carried out. In 1962, the Saigon regime granted a patent for Mr. Dan for the mattress enhancement necessary to achieve the ventilation feature.

After Vietnam's unification on April 30, 1975, because of social unrest, KYMDAN's mattress production was temporarily stopped but the research and product improvements already established to increase functionality, comfort and safety for consumers were still being maintained. On February 2, 1984, Mr. Dan was granted patent certificate No. 2559364 for products of high quality that satisfy international standards.

Concern about consumers' health is always a priority, working on the principle of providing only the safest products to customers. Right after its establishment, KYMDAN carried out important research on safety and this continued. After the patent granted in 1984 by France for products which complied with international standards, each year from 1993 KYMDAN's workplace has been examined by the Environment Institute ECO of the Federal Republic of Germany and found to have satisfactory standards of environmental safety and anti-flammability.

Standards ISO 9001:2000 and SA 8000 that KYMDAN received in 2003 marked the continuation

of effective production and management methods, which demonstrated the responsibility of the business towards its employees. This is a factor that has contributed to KYMDAN's success.

In 2004, KYMDAN celebrated its 50th anniversary, an event marked with much pride and joy by the staff and employees of KYMDAN and where the World Intellectual Property Organization (WIPO) presented to KYMDAN an award for businesses that use initiative and creativity in applying intellectual property solutions in their production and market development strategy. The WIPO Award is the recognition of the right strategy that KYMDAN has followed and continues to follow in its development process.

4. **Development and Use of IP in Business Strategy** (Please explain the technology etc. used, elaborate on its development and how the IP concerned is being applied in the business strategy)

Throughout its history, it is clear that: KYMDAN has become established through creativity and constant development of that creativity. This can be considered a distinct corporate culture. At KYMDAN, employees are encouraged to suggest ideas to managers whether large or small that could be realized to increase operational efficiency.

The encouragement of creative thinking is a real advantage that KYMDAN currently possesses. From operational managers to high-level managers, employees can always openly discuss issues of innovation and new ideas. Innovation and creativity are always highly valued and their application is seriously considered. Therefore, employees of the company never hesitate to make their contribution, no matter whether the idea is big or small, or whether it's worthwhile to propose. That's why in 2003 and 2004 there has been on average more than one initiative every day put forward for improving performance and, of those ideas, half have been applied. For initiatives that lead to successful applications, the KYMDAN Company has a policy of rewarding both material and spiritual aspects as an encouragement to other employees.

This is an effective utilization of the intellectual potential of each employee for promoting development and the use of innovation as a tool for improving operational efficiency. KYMDAN always considers the creativity of every employee in the organization as an invaluable asset and would consider it a great mistake to waste such an asset.

At the present time, when science and technology are developing at a faster and faster pace, any businesses that rest on their laurels will lose ground. With special know-how and novel technology that no-one else in the world has adopted, KYMDAN cannot rely on technology transfer from other, more advanced countries. Technology transfer can shorten the period for applying modern science and technology, but it cannot help Vietnamese businesses to compete with their competitors. Therefore, "improving by

internal force" is a principle that KYMDAN follows and a good example of this is the construction of a modern laboratory to research product innovation and to improve the quality and features of products, thus creating more benefits to customers. With its dynamic staff of young technical specialists who have been professionally trained, a range of products has been researched and successfully brought into production. KYMDAN's ambition is to transform its laboratory into the training center for the leading specialists of the future in the Vietnamese rubber industry.

Activities to exploit creative potential and the intellectual property system are not limited to operating a production system, but are also improving efficiency, researching new products and improving current products. In the age of globalization, when businesses have to operate in world markets, the building of a strong global brand requires appropriate investment and in this respect, intellectual property issues play an increasingly important role.

The contribution of ideas by members of the organization to build a strong brand and develop KYMDAN's markets is also applied to operating systems. Any ideas on promoting product consumption, development and control of distribution systems, brand image promotion based on established positions, etc. are always highly regarded and seriously considered for application. KYMDAN has become a leading brand and is now the biggest producer of mattresses in Vietnam.

With the strategy of using the domestic market as the starting point for expanding into export markets in a flexible but stable manner, KYMDAN's products are not only available in developed countries such as France, Germany, Australia through their representation there, but are also exported to other countries such as Japan, the U.S.A and China. For Vietnam it's the product quality, together with customer preference that has created favorable conditions for a continually-expanding distribution system with 350 branches at present in the country.

Due to its reputation for a safe, natural and healthy product KYMDAN can compete in any market. To date, it has registered for trademark protection in 74 countries and territories in the world and this list is growing, together with the promotion of exports.

5. **Impact on Productivity** (e.g. how IP has contributed towards market dominance, company image, sales, quality, productivity and profits)

KYMDAN's rubber mattresses have been available since 1954. In 1961, the KYMDAN mattress was officially granted an industrial property right. In 1984, the Patent Office of France granted a patent certificate to Mr. Nguyen Van Dan for improvements that help draw body heat from the mattress. Today, after 50 years of trading and development, the KYMDAN rubber mattress has proved to be a strong brand, not only in Vietnam but also abroad. Australian hospitals choose KYMDAN mattresses as they have a level of elasticity suitable for their patients; KYMDAN's salon mattresses are preferred by German consumers for their high durability; French customers love KYMDAN mattress

products because they are made from natural rubber and safety can be guaranteed because they don't contain harmful chemicals and are also inflammable. China is also an important market for KYMDAN rubber mattresses, for the competitive nature and durability of its products.

To date, KYMDAN's turnover has reached one billion Dongs a day (including its three stores opened in France, Germany, and Australia); and on several occasions, the company has had to refuse large orders from foreign customers because its product capacity hasn't been able to fulfill them.

So what has brought success to KYMDAN's rubber mattresses? According to many entrepreneurs from Saigon, this can be attributed to the spirit of creativity and entrepreneurship in the last century. Mr. Nguyen Van Dan founded he company when there were no similar products around, even from abroad, and this could be considered the first step of the Vietnamese people in the process of economic rehabilitation.

In other (biological) aspects, according to Prof. Dr. Nguyen Khanh Du, President of the Board of Thorax – Heart Surgery in Ho Chi Minh City, KYMDAN rubber mattresses ensure the rigidity necessary for patients receiving long-term hospital treatment, especially patients with spinal problems and children whose spinal columns are growing. This point of view is shared by many spinal experts from Australia where the products are sold to hospitals. Thus, if this rubber mattress is suitable for people who are sick, it's also the right choice for healthy people.

Ms. Nguyen Thi Minh Ly, Department of Certification of the Center of Quacert Standard Certification (Directorate for Standards and Quality) thinks that one of the reasons that KYMDAN became a successful brand was the fact that managers have helped their employees to learn more about the country's legal regulations, as well as international agreements relating to labor matters such as child labor, coercive labor, safety conditions, working hours, discrimination in the labor market, sexual equality, wages, discipline etc.

A survey by Quacert has shown that every year, the company's employees receive assistance in the sum of 2 to 10 million Dongs for a marriage or for sickness benefit, and if the company's employees retire early because of death or difficult circumstances, the company will pay funeral costs and give preference to the children of these employees when they apply to work in the company. The company is also planning to build an apartment compound for its staff, granting free apartments to senior employees who are in need of housing.

Mr. Nguyen Huu Tri, who has followed in the footsteps of Mr. Dan, is of the opinion that in a company with a reputable brand, employees must know that not only will they be able to take care of themselves and their families, but they will also be able to support their parents as well as affording modern conveniences, and helping to improve their spiritual lives.

Therefore, the average monthly salaries of employees are currently 3.3 million Dongs.

A strong brand has the power to increase revenues and profits, encourage customer loyalty and reduce repercussions from the actions of competitors. A brand name is not just an important factor in production and trading, it's also a culture. Brand names tend to be associated not only with a specific product but also a country. KYMDAN's 50-year journey clearly illustrates the successful building of Vietnamese brands and the protection of Vietnamese products in the integration process into the world's economy.

6. Conclusion

In a world where human beings are bombarded with information every day about natural disasters, our polluted environment and the effect on people's health, caring about safety is something that receives much attention. When deciding to buy a product, customers not only ask whether it has an effect on their health but also whether it has an effect on the environment and public well-being. Movements are afoot to reject the use of synthetic plastics which do not disintegrate, and the existence of the non-profit volunteer groups who try to prevent oil spillage disasters are clear indicators of a burgeoning ideology about the responsibility of all human beings, putting pressure on producers to be more responsible for what they do.

Looking back, it can be said that from the beginning KYMDAN has been conscious of building a product, a brand name in which safety is always a priority. The certificates, patents, inventions in this field are an obvious testimony to KYMDAN's activities: a product has to provide customers with a sense of safety. This is the basis for the company's future development.

Apart from unmatched durability, and an average life span of 20 years, it has been seen from 1954 to the present day that other features of a safe product which come from 100% natural rubber, are constantly researched and brought into production: features that conform to standards of environmental protection, prevention of any harmful effects to consumers, inflammable, insect-resistant, etc. are specific achievements in utilizing the intellect and sense of creativity to research and apply such measures. Together with its responsibility to customers as well as to the public and society, KYMDAN constantly enhances its positive image, reinforcing customer loyalty towards the company. This is a value that strengthens the belief of consumers in the products and the brand name KYMDAN, creating a basis for promoting sales and increasing market share.

The fact of KYMDAN receiving numerous certificates for quality standards, patents, inventions and recently the 2004 WIPO Award demonstrates its policy in the use of intellectual property, as well as the ideas contributed by its staff. This is a cause of pride not only for the management but also the entire workforce of a reputable company in domestic and foreign markets. It is enormously important to encourage staff members to promote a culture of contributing to its activities.

The WIPO Award has helped KYMDAN to strengthen the belief of its customers in its brand name which has already been well-established in the market for over half a century. More than ever, KYMDAN is conscious of the values it possesses and will put greater efforts into protecting these values by promoting its achievements and utilizing intellectual property which have made the company what it is today.

PART III

Listing of Manuals, Guidelines and Directories
in the Area of
Intellectual Property (IP) Portfolio Management

COUNTRY: VIETNAM

No.	English Title + Brief Description of its Contents in less than 50 words	Year of Publication	Agency Responsible and Address	Contacts (Tel/Fax/email)
A.	**PATENT AND INVENTION RELATED**			
1.	**Patent Protection – Handbook for Business persons** Chapter 1: General Introduction about the protection system for patent rights. Chapter 2: Registration for patent protection: Established method of patent rights Chapter 3: Registration for patent protection (establishment of patent right) in foreign countries Chapter 4: Transfer the right to use patents (patent licensing) Chapter 5:The enforcement of patent rights Chapter 6: Protection of utility solutions in Vietnam Chapter 7: Information and materials about patents Chapter 8: Supporting activities for the inventors	2002	Sponsored by Japan Patent Office (JPO), Produced by Asia Pacific Industrial Property Center (APIC) of Japan Institute of Invention and Innovation (JIII), Under the editorship on National Office of Industrial Property of Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
2.	**Encouragement of Inventor**	2001	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn

3.	**Practical Procedures for Prosecuting Software Patent**	2000	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
4.	**Writing Patent Specifications**	2000	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
5.	**Legal handbook in Intellectual Property and Technology transfer (for Business, Business persons)** Part 1: Questions and answers relating Intellectual Property law and technology transfer (including patents) Part 2: Explaining basic legal terms in the above fields Part 3: The main legal documents in IP and technology transfer.	7/2004	National Political Publisher House 24 Quang Trung street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9422008 Fax: 84 4 9421881 Email: nxbctqg@hn.vnn.vn Website: www.nxbctqg.org.vn

6.	**Protection of Intellectual Property – Problems for academic discussion and fact** Its main contents: 1. Assess the real situation of protection and enforcement of IP in Vietnam (including patents) 2. Petition to improve the legal regulations relating to IP	12/2004	Legal Sciences Institute – Ministry of Justice and National Political Publisher House	24 Quang Trung street, Hoan Kiem district, Hanoi, Vietnam Tel: 84 4 9422008 Fax: 84 4 9421881 Email: nxbctqg@hn.vnn.vn Website:www.nxbctqg.org.vn
7.	**Information about Intellectual Property** Its contents include information about copyright, industrial property and technology transfer.	2004	Labour – Social Publisher House 41B, Ly Thai To street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9346024 Fax: 84 4 9348283
B.	**INDUSTRIAL DESIGN RELATED**			
1.	**From Filing to Registration of Design**	2001	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn

2.	**Out line of the Japanese Design Law**	2001	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP)	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
3.	**Legal regulations about Industrial Property**	2001	National Political Publisher House 24 Quang Trung street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9422008 Fax: 84 4 9421881 Email: nxbctqg@hn.vnn.vn Website:www.nxbctqg.org.vn
4.	**Overview of Intellectual Property** (Document for Management agencies)	2004	Asia-Pacific Economic Cooperation; Australian Government and National Office of Intellectual Property of Vietnam - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
5.	**142 Questions and Answers about Industrial Property**	2004	Labour – Social Publisher House 41B, Ly Thai To street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9346024 Fax: 84 4 9348283

C.	TRADEMARK RELATED			
1.	**Legal regulations about Intellectual Property**	2005	Labour – Social Publisher House 41B, Ly Thai To street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9346024 Fax: 84 4 9348283
2.	**Intellectual Property Rights Trademarks of Vietnamese Products** This publication supplies knowledge, information, legal regulations, criteria about Intellectual Property for the Vietnamese community and the introduction of Vietnamese trade names on the world market at the same time.	2004	Industrial Review of Ministry of Industry in Vietnam and Youth Publisher House	
3.	**Procedures from Filing to Registration of Trademark Application**	2000	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn

4.	**Protection of Well-known and Famous Trademark**	2000	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP)	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
5.	**Trademark Disputes and their Handling**	2001	Japan Patent Office, Asia-Pacific Industrial Property Center (JIII) and National Office of Intellectual Property in Vietnam (NOIP) - 386 Nguyen Trai Road, Thanh Xuan district, Hanoi, Vietnam	National Office of Intellectual Property of Vietnam (NOIP) Tel: 84 4 8583069 Fax: 84 4 5588449 Email: noip@fpt.vn
D.	**COPYRIGHT RELATED**			
1.	**Legal regulations in Vietnam concerning copyright** Its contents include the system of legal regulations in force on copyright	9/2002	National Office of Copyright 151 Hoang Hoa Tham street, Ba Dinh District, Hanoi, Vietnam	Tel: 84 4 8234 304 Fax: 84 4 8432630 Email: cbqtg@hn.vnn.vn

2.	**Conventions and Treaties on Copyright** This book include eight conventions and treaties such as the Berne Convention for the Protection of Literary and Artistic Works; the Rome Convention, 1961 the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, the WIPO Copyright Treaty (WCT); the WIPO Performances and Phonograms Treaty (WPPT) etc.	12/2000	National Office of Copyright 151 Hoang Hoa Tham street, Ba Dinh District, Hanoi, Vietnam	Tel: 84 4 8234 304 Fax: 84 4 8432630 Email: cbqtg@hn.vnn.vn
3.	**Information about Intellectual Property** One of four parts of this book is about legal regulations on copyright.	2004	Labour – Social Publisher House 41B, Ly Thai To street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9346024 Fax: 84 4 9348283
4.	**Yearbook of registration for copyright 1986-1996; 1996-2002; 2002-2003; 2003-2004**		National Office of Copyright 151 Hoang Hoa Tham street, Ba Dinh District, Hanoi, Vietnam	Tel: 84 4 8234 304 Fax: 84 4 8432630 Email: cbqtg@hn.vnn.vn
5.	**International Treaties on copyright and related rights** Including The Berne Convention, the Geneva Convention, the Rome Convention, the Brussels Convention, the TRIPS Agreement.	4/2004	National Office of Copyright 151 Hoang Hoa Tham street, Ba Dinh District, Hanoi, Vietnam	Tel: 84 4 8234 304 Fax: 84 4 8432630 Email: cbqtg@hn.vnn.vn

E.	**BUSINESS RELATED**			
1.	**The methods of determining intangible property value**	2005	Science and Technology Publisher House 70, Tran Hung Dao street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9424786 84 4 9423172 Fax: 84 4 8220658
2.	**Agreement between the Socialist republic of Vietnam and the United States of America on trade relations**	2002	National Political Publisher House 24 Quang Trung street, Hoan Kiem district, Hanoi, Vietnam	Tel: 84 4 9422008 Fax: 84 4 9421881 Email: nxbctqg@hn.vnn. vn Website:www.nxbctqg.org.vn
F.	**FINANCIAL GRANTS**			
	Nil			