

Ambassador Michael W. Marine

Opening Remarks

**Roundtable on Intellectual Property Rights Issues
Thursday, April 28**

Good Morning and welcome, everyone. I am very glad you could join us today for the first Ambassador's Roundtable on Intellectual Property Rights (IPR) in Vietnam. In the interest of full IPR disclosure, I must admit that I am stealing an idea of my former boss in Beijing, Ambassador Sandy Randt, who has convened similar meetings there for the past several years.

Knowing that U.S. companies operating here are just as concerned about the inadequate protection and enforcement of IPR, I decided to organize this event to explore how we can work together on this issue. Our ultimate objective is to improve market access and market share for your legitimate products in Vietnam. I appreciate your interest and willingness to work with your business sector colleagues, my staff and me to address this critical trade and investment issue. We have put together a series of presentations today that should help us do so.

Let me start with a short overview. As I think you know, the United States Government has, for many years, placed a high priority on advocating for effective protection and enforcement

of IPR around the world. The State Department, the U.S. Agency for International Development, the U.S. Patent and Trademark Office and the Commerce Department, all of whom are represented here today, as well as other U.S. Government agencies, dedicate significant resources overseas toward improving IPR protection.

Clearly, with over 50 percent of U.S. exports dependent on some form of intellectual property protection, it is critical that the U.S. Government - in partnership with companies like yours - be out in front on this issue.

The need for stronger engagement on IPR protection in Vietnam is clear. The Government of Vietnam does not provide an adequate level of protection for your goods or for the intellectual property of its own domestic companies. I see that a number of you brought samples today of the types of "knock-offs" that are available in local markets. It is much too easy to buy these fake goods here and much too difficult to punish the folks who produce them.

I know many of your companies also face significant barriers to importing, marketing and distributing your products and that this represents as much of a problem for some of you as lack of effective IPR enforcement.

However, I believe there are opportunities now to effect real change in Vietnam. The shape of Vietnam's trade and investment regime is evolving quickly. Implementation of the U.S.-Vietnam Bilateral Trade Agreement, now in place for over three years, and Vietnam's desire to accede to the World Trade organization (WTO) have created significant opportunities for engagement with the Vietnamese Government on IPR, market access and other important economic reform issues. We need to take advantage of these opportunities.

Both the BTA and the WTO obligate Vietnam to improve protection for all types of IP. As the BTA has taken hold, we have begun to see greater attention focused on this issue in Vietnam. For example, the Government of Vietnam, with help from the United States and other donors, has made some improvements to its IPR legislation these last few years.

We have also seen the development of a new public dialogue on the importance of IPR. For example, in September last year the Government hosted Vietnam's first national conference on IPR. Deputy Prime Minister Vũ Khoan gave the keynote address to over 500 representatives of government ministries, local businesses, international organizations and diplomatic missions.

Several new Vietnamese associations have been established recently that have identified improving IPR protection for their industries as a priority. The Government also finally approved establishment of the Vietnam Anti-Counterfeiting and IP-Protection Association for foreign invested enterprises. Thomas Treutler (TROYt-ler) from Baker and McKenzie will tell us about the function of this organization later this morning.

Right now, Vietnam is very focused on meeting the requirements for WTO accession. Both IPR protection and market access are key components of Vietnam's multilateral and bilateral WTO negotiations. I fully believe the Government of Vietnam understands it needs to make changes in these areas.

Vietnam has set an ambitious legislative agenda for itself this year to meet its own timeline for WTO accession. Included in that agenda is the passage of a new IPR Law that is intended to establish a stronger, more comprehensive framework for IPR protection. The United States is funding technical assistance to the Government of Vietnam to help ensure this legislation meets WTO requirements. A number of other donors, including the Swiss, Japanese and the European Union, have provided technical

assistance on IPR enforcement and protection and stand ready to help with the draft legislation.

The United States is also negotiating better tariffs, improved trading and distribution rights and other market access issues that will help you do business in Vietnam. The WTO process gives us tremendous opportunities to weigh in with the Vietnamese on these issues. I encourage the business community to remain actively involved throughout the accession process - through dialogue with me, my Mission team, USTR and other Washington agencies as well as directly with the Government of Vietnam.

I decided to host this event because I want to hear what specific impediments your companies face doing business in IP-intensive sectors in Vietnam.

- What specifically does the Government need to do to improve enforcement?

- What market access barriers are most detrimental to your business?

Working together, we can help ensure the changes Vietnam is making now are the right ones.

This morning, representatives of Nike, Proctor & Gamble, Time Warner and Baker & McKenzie will describe their company's experiences, successes and problems with IPR protection in Vietnam. Steve Parker from the STAR Project and Dana Doan from the U.S. Vietnam Trade Council will provide information on some of the IPR-related technical assistance the USG is providing.

Finally, we have set aside time for an open discussion. I hope you will use that opportunity to raise specific issues of concern to your company and to make suggestions on ways the Embassy and the Consulate can do more to facilitate your ability to do business in Vietnam. Ideally, your ideas would be the building blocks for a joint U.S. Government-private sector game plan for improving the IPR protection in Vietnam.

Again, thank you all for coming for what I hope will be a productive morning.