



The Honorable Andrei Iancu, Co-Chair
The Honorable David Kappos, Co-Chair
Judge Paul Michel (Ret.), Board Member
Judge Kathleen O'Malley (Ret.), Board Member
The Honorable Gary Locke, Board Member
The Honorable Lamar Smith, Board Member
Frank Cullen, Executive Director

July 2, 2026

The Honorable Jamieson Greer
United States Trade Representative
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Comments of the Council for Innovation Promotion on the Proposed Action in the Section 301 Investigation of Vietnam's Acts, Policies, and Practices Related to Intellectual Property Protection and Enforcement (Docket No. USTR-2026-0364)

Dear Ambassador Greer:

The Council for Innovation Promotion (C4IP) respectfully submits these comments in support of the Section 301 investigation. We commend the United States Trade Representative (USTR) for initiating this investigation, and we write to underscore areas of continuing concern, namely counterfeiting and online piracy, and finally, to offer brief observations on Vietnam's recent IP reforms.

C4IP is a bipartisan coalition dedicated to promoting strong and effective intellectual property rights that drive innovation, boost economic competitiveness, and improve lives everywhere. C4IP is chaired by two former directors of the U.S. Patent and Trademark Office, Andrei Iancu and David Kappos, who served under Presidents Trump and Obama, respectively. Our board further includes two retired judges from the Court of Appeals for the Federal Circuit, former Chief Judge Paul Michel and Judge Kathleen O'Malley. It also features two distinguished public servants: Lamar Smith, former U.S. Representative for Texas's 21st congressional district and Chairman of the House Judiciary Committee, and Gary Locke, former Governor of Washington, U.S. Secretary of Commerce, and U.S. Ambassador to China under President Obama.

We emphasize at the outset that our concerns are meant to be constructive. A stronger IP environment in Vietnam would benefit American rightsholders, the many U.S. companies that now manufacture and invest there, and Vietnam's own innovators and consumers. The recommendations below are offered in that spirit.

I. Counterfeiting Remains Widespread

Counterfeit goods — locally produced and imported — remain openly available in Vietnam’s physical markets and are increasingly sold through e-commerce platforms and livestream commerce. Vietnam’s e-commerce market surpassed \$30 billion in 2025, and authorities handled more than 23,400 counterfeit-goods cases, most occurring on e-commerce platforms and social media, spanning cosmetics, apparel, footwear, electronics, and, alarmingly, health supplements and medicines.¹ Enforcement actions continue to surface large-scale operations, including a Hanoi warehouse holding roughly 2,000 counterfeit handbags bearing well-known international marks,² and repeated raids on well-known counterfeiting hubs such as Saigon Square.³ Of particular public-health concern, Vietnamese authorities have prosecuted large fake-milk operations, and counterfeit food, supplements, and medicines have proliferated, categories that pose direct safety risks to consumers wherever the goods ultimately travel.⁴

Most troubling, enforcement has gone backward over the past year. As USTR’s initiation notice recognizes, the number of violations involving IP-infringing goods and goods of unknown origin found by Vietnamese authorities declined by roughly 50% in 2025 relative to 2024, even amid multiple enforcement campaigns.⁵ Independent reporting confirms the trend and its cause: Vietnam’s market-surveillance forces detected violations worth roughly 31.8% less in 2025 than in 2024, and the responsible agency acknowledged that organizational restructuring caused disruptions in personnel and management continuity, while administrative penalties for e-commerce violations remained low relative to the scale of the problem.⁶ This appears to be a consequence of Vietnam’s 2025 government reorganization, which eliminated and streamlined ministries, seemingly leaving enforcement gaps that counterfeit sellers have exploited.⁷

[1] *Growing E-Commerce Market Sees Tougher Fight Against Counterfeits*, Vietnam+ (Dec. 24, 2025), <https://en.vietnamplus.vn/growing-e-commerce-market-sees-tougher-fight-against-counterfeits-post334831.vnp>.

[2] *Id.*

[3] *Vietnam Cracks Down on 23,000 Market Violations in 2025*, Vietnam+ (Dec. 18, 2025), <https://en.vietnamplus.vn/vietnam-cracks-down-on-23000-market-violations-in-2025-post334511.vnp>.

[4] Hiếu Mạnh, *The Blame Game: Who Is Responsible for Việt Nam’s Counterfeit Crisis?*, The Vietnamese Mag. (July 8, 2025), <https://www.thevietnamese.org/2025/07/the-blame-game-who-is-responsible-for-viet-nams-counterfeit-crisis/>.

[5] Initiation of Section 301 Investigation and Request for Public Comments: Vietnam’s Acts, Policies, and Practices Related to Intellectual Property Protection and Enforcement, 91 Fed. Reg. 33,285, 33,286 (June 3, 2026), <https://www.federalregister.gov/documents/2026/06/03/2026-11043/initiation-of-section-301-investigation-and-request-for-public-comments-vietnams-acts-policies-and>.

[6] *Vietnam Cracks Down on 23,000 Market Violations in 2025*, supra note 3.

[7] USDA, Foreign Agric. Serv., GAIN Report No. VM2025-0009, *Vietnam: Government Restructuring — Major Changes and Expected Impacts* (Mar. 13, 2025), https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Vietnam+Government+Restructuring+-+Major+Changes+and+Expected+Impacts_Hanoi_Vietnam_VM2025-0009.pdf.

C4IP strongly supports Vietnam’s stated objective of strengthening its domestic enforcement environment. We urge USTR to press Vietnam to restore and exceed pre-reorganization enforcement levels, to close the coordination gaps among the consolidated agencies, and to shift away from low-deterrence administrative penalties toward civil and criminal remedies. Doing so protects American brand owners operating in and exporting to Vietnam, supports legitimate Vietnamese businesses and consumers, and helps stem the flow of counterfeits, including dangerous health and safety counterfeits, that can ultimately reach the U.S. market.

II. Online Piracy Persists in Part Because Court-ordered Penalties Do Not Deter

Vietnam remains one of the world’s most significant sources of online piracy. USTR’s notice finds that Vietnam has the highest incidence of online piracy in the Asia-Pacific region, high levels of music piracy, and ranks eighth globally for mobile video-game piracy, and that it continues to host English-language infringement sites and a locally operated cyberlocker targeting a global audience. The scale is staggering: Vietnam’s own government has estimated that more than 400 Vietnamese websites stream tens of thousands of films without authorization,⁸ and industry survey data indicate that roughly two-thirds of Vietnamese internet users aged 16-44 regularly pirate music.⁹ Vietnam has been the operational base for some of the largest piracy services ever taken down, such as Fmovies.¹⁰

The core problem is the absence of meaningful deterrence. Although Vietnam has recently secured its first criminal copyright convictions, the resulting penalties have remained negligible relative to the scale of the infringement. In April 2024, a court convicted the operator of BestBuyIPTV — a platform that had appeared on USTR’s Notorious Markets List for five consecutive years and reportedly served hundreds of thousands of subscribers worldwide — but imposed only a suspended prison sentence and modest financial penalties.¹¹ Three months later, courts likewise imposed only suspended sentences and modest financial

[8] *Vietnam’s Domestic Film Piracy Problem Underlines the Country’s Wider Copyright Problem*, Lexology (Nov. 26, 2025), <https://www.lexology.com/library/detail.aspx?g=edb88c5a-bea5-4b92-9548-e2da35aec6a2>.

[9] Ernesto Van der Sar, *Rightsholders Brand Vietnam an Online Piracy Haven & Demand Action*, TorrentFreak (Feb. 5, 2024), <https://torrentfreak.com/rightsholders-brand-vietnam-an-online-piracy-haven-demand-action-240205/> (reporting International Federation of the Phonographic Industry (IFPI) survey data that roughly two-thirds of Vietnamese respondents aged 16–44 regularly access pirated music).

[10] Todd Spangler, *Fmovies, a Massive Internet Piracy Ring, Is Shut Down by Police in Vietnam*, Variety (Aug. 29, 2024), <https://variety.com/2024/digital/news/fmovies-shut-down-piracy-vietnam-police-1236114171/>.

[11] Espie Angelica A. de Leon, *Vietnam’s First Criminal Sentence for Online Copyright Infringement*, Asia IP (May 23, 2024), <https://asiaiplaw.com/article/vietnams-first-criminal-sentence-for-online-copyright-infringement>.

penalties on the operator’s associates.¹² In other words, across the first two criminal cases for online copyright infringement in Vietnam’s history, penalties were minimal in relation to the scale of the offenses. As USTR’s initiation notice recognizes, suspended sentences and limited financial penalties have failed to create meaningful deterrence, allowing Vietnam to remain an attractive jurisdiction for operators of large-scale pirate services.

Moreover, it appears that Vietnamese authorities did not initiate a further round of criminal copyright cases until May 2026, immediately after the USTR’s priority-foreign-country designation and as part of a nationwide enforcement campaign; none of those cases has yet produced a conviction.¹³ While promising, the pattern unfortunately reinforces that enforcement has been reactive to U.S. pressure rather than sustained, and that even successful prosecutions have not carried deterrent penalties.

C4IP urges USTR to press Vietnam to build a robust criminal-enforcement regime that imposes truly deterrent-level penalties and to bring meaningfully more prosecutions against commercial-scale piracy operations.

III. Gaps Persist in Vietnam’s Biopharmaceutical IP Protection Framework

Vietnam’s IP system for biopharmaceuticals has several significant weaknesses that undermine protection for innovators, particularly U.S. companies. Its regulatory data protection regime is limited and not automatic: it reaches only a “new active ingredient” that has not been marketed anywhere in the world for more than twelve months before the Vietnamese registration filing, and protection must be affirmatively requested rather than applying by default.¹⁴ Moreover, even after these hurdles have been met, many report that the protection is largely ineffective in practice or has an uncertain scope.¹⁵

[12] Alliance for Creativity and Entm’t, *ACE Commends Vietnamese Court and Local Law Enforcement for Second Conviction of Illegal Streaming Service Operators* (July 26, 2024), <https://www.alliance4creativity.com/statement/ace-commends-vietnamese-court-and-local-law-enforcement-for-second-conviction-of-illegal-streaming-service-operators/>.

[13] *Criminal Proceedings Launched Against Copyright Infringement*, Vietnam+ (May 16, 2026), <https://en.vietnamplus.vn/criminal-proceedings-launched-against-copyright-infringement-post342899.vnp>.

[14] Circular No. 05/2010/TT-BYT, arts. 3, 6 (Viet.) (Mar. 1, 2010) (limiting data confidentiality to finished drugs containing a “new active ingredient,” defined as one not marketed anywhere in the world for more than twelve months before the Vietnamese registration filing, and conditioning protection on a formal request), <https://www.wipo.int/wipolex/en/text/447861>; Kin Wah Chow et al., *Data Exclusivity in Drug Manufacturing in ASEAN*, Rouse (Mar. 4, 2024), <https://rouse.com/insights/news/2024/data-exclusivity-in-drug-manufacturing-in-asean>.

[15] See *Pharmaceutical Data Exclusivity in Southeast Asia*, Tilleke & Gibbins (July 14, 2025), <https://www.tilleke.com/wp-content/uploads/2021/08/Tilleke-Pharmaceutical-Data-Exclusivity-in-Southeast-Asia-2025.pdf> (explaining that because generic applicants need not submit or reference the originator’s trial data, they fall outside the prohibition and obtain authorization notwithstanding the protection); see also *Drug Patents in Asia-Pacific: A Country-by-Country Guide to How Long Protection Actually Lasts*, DrugPatentWatch (Mar. 9, 2026) (“the effective data exclusivity period available in Vietnam remains unclear in practice”), <https://www.drugpatentwatch.com/blog/drug-patents-in-asia-pacific-a-country-by-country-guide-to-how-long-protection-actually-lasts/>.

Vietnam also lacks an effective patent linkage mechanism. Although it committed under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) to tie marketing approval to patent status,¹⁶ it has not implemented an operative system, and neither its 2025 overhaul of the IP Law nor its 2025 reforms to the Law on Pharmacy and drug-registration rules introduced one.¹⁷

Finally, Vietnam does not provide patent term extension to compensate for time lost during regulatory review. Instead, it merely waives certain patent fees during periods of delay, a measure that does not extend the patent term, leaving innovators without adequate compensation for delays and weakening incentives to invest in new medicines.¹⁸

IV. Recent Procedural Reforms Are Welcome Though Some Provisions Merit Scrutiny

We recognize that Vietnam has taken several positive steps to strengthen its intellectual property framework. The 2025 reforms introduced a number of changes, including fast-track substantive patent examination¹⁹ and shortened standard patent examination from eighteen to twelve months.²⁰ These developments are encouraging and, if implemented effectively, could improve the environment for innovation and investment.

We offer two cautions, however. First, these reforms took effect only on April 1, 2026, and their real-world significance will depend on implementation; they should be judged by measurable outcomes, not legislative enactment alone. Second, the same 2025 law expanded compulsory licensing authority — including by authorizing provincial-level bodies to grant compulsory licenses in sectors such as healthcare, energy, and essential goods — introducing meaningful new risks for patent holders that warrant close monitoring.²¹ The law also includes a new exception permitting the use of copyrighted works for AI training under

[16] See *CPTPP Obligations Alter Vietnam's IP Landscape*, Tilleke & Gibbins (Apr. 23, 2019), <https://www.tilleke.com/insights/vietnam-investment-review-cptpp-obligations-alter-vietnams-ip-landscape/16/>.

[17] See *Vietnam's Newly Amended IP Law Takes Effect*, Baker McKenzie (Apr. 1, 2026), <https://www.bakermckenzie.com/en/insight/publications/2026/03/vietnams-newly-amended-ip-law-takes-effect>; Giulia Interesse, *Vietnam's Amended Pharmaceutical Law: Navigating the Key Changes*, Vietnam Briefing (Feb. 11, 2025), https://www.vietnam-briefing.com/news/vietnams-amended-pharmaceutical-law-navigating-the-key-changes.html?utm_source=chatgpt.com.

[18] Dung Vu, *Patent & Design Updates from Vietnam: January 2024*, Lexology (Jan. 23, 2024), <https://www.lexology.com/library/detail.aspx?g=66964e01-aa09-4e4e-9462-531e68bc515b>.

[19] *Supplementing Regulations to Strengthen the Examination Timeframe for Patent Applications in Vietnam*, ASL Law (Apr. 9, 2026), <https://aslgate.com/supplementing-regulations-to-strengthen-the-examination-timeframe-for-patent-applications-in-vietnam/>.

[20] Yen Vu et al., *Vietnam's 2025 Amended IP Law: Major Reforms Effective from April 2026*, Rouse (Jan. 19, 2026), <https://rouse.com/insights/news/2026/vietnam-s-2025-amended-ip-law-major-reforms-effective-from-april-2026>.

[21] *Id.*; *Vietnam's IP Law Amendment*, Mirandah Asia (Apr. 6, 2026), <http://www.mirandah.com/vietnams-ip-law-amendment/>.

certain conditions that will be set by the government, and this law and its implementing regulations may ultimately undermine the development of voluntary licensing markets and diminish the value of works created by American copyright owners.²²

Accordingly, we encourage the USTR to recognize genuine progress while continuing to evaluate Vietnam based on concrete, verifiable improvements in intellectual property protection and enforcement.

C4IP appreciates the opportunity to comment and supports a vigorous Section 301 process aimed at securing durable improvements in Vietnam's IP protection and enforcement — outcomes that serve American innovators and Vietnam alike. We welcome the chance to provide further information.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Frank Cullen', is positioned below the text 'Respectfully submitted,'.

Frank Cullen
Executive Director
Council for Innovation Promotion (C4IP)

[22] *Vietnam IP Law 2025 Update: Copyright Exceptions for AI Model Training*, Viet An Law (Jan. 20, 2026), <https://vietanlaw.com/vietnam-ip-law-2025-update-copyright-exceptions-for-ai-model-training/>; Hugh Stephens, *Vietnam's New IP Law: The General Direction Makes Sense but Regulatory Details Will Be Key*, Hugh Stephens Blog (Jan. 12, 2026), <https://hughstephensblog.net/2026/01/12/vietnams-new-ip-law-its-general-direction-makes-sense-but-the-regulatory-details-will-be-key/>; see also Đan Thanh *The Death of Authorship: How Clause 7.5 of the IP Law Endangers Việt Nam's Creative Class*, The Vietnamese Mag. (Jan. 15, 2026), <https://www.thevietnamese.org/2026/01/the-death-of-authorship-how-clause-7-5-of-the-ip-law-endangers-viet-nams-creative-class/>.