IP INSIGHTS

September 2025

The latest news, views, and announcements

INSIDE

—

New finds this week

Registrable rights are explicitly linked to accounting recognition, collateralization mechanics, and tax policy so that patents, trademarks, industrial designs, and copyrights can function as deployable business assets rather than static legal titles.

Contact

Uyen NGO (Ms.)
Legal Assistant

Mr. Nguyen Hoa Binh
Co-Founding Partner

New finds this week

By Uyen Ngo, Nguyen Hoa Binh, et al.

VIETNAM'S 2025 DRAFT IP LAW ACCELERATES IP ASSET COMMERCIALIZATION

Overview

Vietnam has released a public-consultation draft of the fourth amendment to the IP Law that would, for the first time, create a full framework to value, finance, and mortgage IP assets. From an IP practitioner's perspective, this is a step change: registrable rights are explicitly linked to accounting recognition, collateralization mechanics, and tax policy so that patents, trademarks, industrial designs, and copyrights can function as deployable business assets rather than static legal titles.

The draft would require enterprises to recognize IP assets in their financial statements, with the option to remeasure them at fair value. This accounting move is paired with a national IP pricing database and methodological guidance intended to standardize how valuations are produced and audited in transactions, disputes, and tax matters. On the financing side, the government proposes pilot tools for IP-backed credit, capital raising on the stock market based on IP, and IP-related insurance or financial instruments. In parallel, express mortgage regimes are introduced: economic rights in copyright and related rights become mortgageable, subject to registration and any necessary co-owner consent, and most industrial property rights can also be mortgaged, with geographical indications excluded. The package builds on the 2022 overhaul that implemented CPTPP and EVFTA commitments and runs alongside reforms to secured transactions.

For rightsholders, the impact is practical and immediate. Balance sheets would more visibly reflect intangible value, improving conversations with lenders, investors, and rating committees. Clearer statutory pathways allow IP to be used as collateral, provided chain of title is clean, recordals are current, and consent mechanics are in place. A centralized pricing infrastructure should curb "black-box" valuations and make numbers audit-ready. Monetization options broaden as well: the mortgagee's ability to exploit or auction pledged IP on default is expressly contemplated, while mortgagors must maintain and renew pledged rights so collateral does not decay during a loan term.

Commercialization Pathway

The draft creates a pipeline from R&D to revenue. Recognized IP can be valued using accepted methods, booked on the balance sheet, and then deployed in commercial structures such as licenses, technology transfers, and franchising arrangements. Royalty-bearing licenses may be paired with royalty-finance facilities; cash flows can be escrowed to service debt backed by pledged IP. Where multiple assets underpin a product line, portfolio licenses and cross-collateralization allow lenders to spread risk. IP insurance products contemplated in the pilots could de-risk infringement exposure or valuation volatility, improving bankability. Intermediaries—valuation firms, brokers, aggregators, and specialist funds—are explicitly encouraged through tax preferences, creating a market infrastructure for sourcing deals, diligencing title and scope, and placing assets with licensees. On enforcement, standardized registration and clear perfection rules make priority more predictable, which in turn supports secondary markets for distressed or surplus IP via auction or negotiated sales.

Provisions To Watch

Article 8a links accounting treatment with market infrastructure. Enterprises must record IP assets and may choose fair-value remeasurement; a national valuation database will be developed; and the government will pilot IP-backed lending, IP-based equity raising, and IP-related insurance. Tax preferences apply to both creation and exploitation, signaling a policy push across the entire IP lifecycle.

Article 46a makes economic rights under copyright and related rights mortgageable. Enforceability depends on the quality of registration and, where relevant, co-owner consents. Mortgagee remedies include exploitation or auction on default, while moral rights remain protected—an important limit that will shape drafting of security documents and enforcement strategies.

Article 150a opens mortgageability for most industrial property rights other than geographical indications. Registration of the mortgage is required; mortgagee remedies on default are recognized; and mortgagors must keep pledged rights valid and renewed. In practice, counsel should plan for title hygiene, docketing discipline, and funding for renewals or annuities as part of loan covenants.

Implementation Notes

To reconcile legal title with accounting recognition, companies will need a robust IP inventory, complete chains of title, and internal controls that support amortization, impairment, and fair-value choices with defensible working papers. Lenders and investors are likely to insist on valuation opinions that follow the national methods once issued, and on registration-driven perfection of security interests. Depending on the final rules, dual filings may be required—at the IP Office and at the secured-transactions registry—to publicize and perfect security interests without priority gaps. Insolvency treatment, licensee protections, and the interaction between exclusive licenses and mortgages will need attention, particularly where sublicensing or field-of-use restrictions exist. Tax teams should map which creation and commercialization activities qualify for incentives and how those incentives interact with existing R&D, technology-transfer, or high-tech zone regimes.

Action Plan

In-house teams can begin by mapping patents, trademarks, and designs, fixing gaps in assignments and recordals, and removing dormant or non-renewable assets from the collateral pool. A valuation playbook should be built around the draft's methods and auditor expectations, with a policy on when fair-value remeasurement is appropriate. Standard mortgage and pledge documentation, consent mechanics for co-owners and licensees, and procedures for maintaining pledged rights across the loan term should be prepared. Treasury and tax should be briefed on how IP-driven financings and incentive claims will be evidenced, monitored, and reported. For deal execution, consider escrow arrangements for royalties, audit rights for license compliance, and covenants that trigger top-up collateral or step-in remedies if value deteriorates.

Timeline

Public consultation is open until 21 September 2025. The draft is expected to be reviewed by the National Assembly in October 2025, with the earliest effective date in early 2026 if enacted. Provisions may evolve, and implementing guidance on valuation standards, registration practice, perfection, and tax procedures will be critical to market adoption.

Conclusion

If enacted, Vietnam's fourth amendment to the IP Law would move intangible assets from the footnotes to the front page of corporate finance, offering a clear path from registration to recognition, valuation, collateralization, and monetization. The promise is significant: stronger balance sheets, deeper financing options, and a rules-based market for trading and securing IP—tempered by the practical demands of title hygiene, registration discipline, valuation governance, and tax compliance. The ultimate impact will hinge on the implementing guidance around valuation methods, security-interest registration, and eligibility for incentives, as well as how quickly market participants—banks, investors, auditors, and rightsholders—adopt the new toolkit.

With public consultation open until 21 September 2025 and legislative review expected soon after, now is the moment for companies to inventory their portfolios, repair chains of title, pilot valuation models, and sketch documentation for future IP mortgages and pledges. Regardless of final form, the direction of travel is unmistakable: Vietnam is positioning IP not merely as a legal right but as financeable capital. Organizations that prepare early will be best placed to convert innovation into bankable value when the law comes into force.

IP Insights – September 2025

Contact

DAITIN & ASSOCIATES
Lawyers and Consultants

Please contact Daitin & Associates if you require any further information or guidance in the procedures of acquiring, protecting intellectual property rights in Vietnam | Cambodia | Laos | Myanmar | Thailand | Philippines | Brunei | Indonesia.

info@daitin.com.vn | www.daitin.com.vn