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# LEGAL ALERT

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# Cambodia announces Intellectual Property Declaration on the Procedure on Recordal of License and Franchise Agreement

On 13 January 2020, the Department of Intellectual Property Right under the Ministry of Commerce ("MoC") issued a Prakas on the procedure of Recordal of License and Franchise Agreement. The Prakas was issued to implement the Law on Marks, Trade Names and Acts of Unfair Competition and to provide fair competition for investors' intellectual property right protection in Cambodia in relation to goods or services under a license and franchise agreement. This Prakas applies to the following:

- recording, the depositing and renewal of the contract licenses and franchise,
- the authorisation to continue running the business on the registered mark; and
- the application of mark registration in the sovereignty of the Kingdom of Cambodia to protect against unfair competition and illegal uses by third parties.

According to this Prakas, both registered marks and pending applications can be the subject of the license and franchise agreement. The license and franchise agreement must provide details such as mark, registration or application number, classification, detail of the goods/services, the type of the agreement, such as whether it is exclusive or non-exclusive, and duration of the agreement.

## Conditions, procedures, and documents required for recordal

This recordal must be produced by the licensor/franchisor and/or licensee/franchisee, or by their trademark agent. If the parties are a natural person, both licensor/franchisor and licensee/franchisee must provide name, nationality, and permanent address. If the parties are a legal entity, it is required that they provide the company name, its nationality, and the address of registration. If the applicant's ordinary residence or principal place of business is outside the Kingdom of Cambodia, they shall be represented by a legal mark agent residing and practicing in the Kingdom of Cambodia.

The applicant is required to provide the original or certified copy of the agreement notarised by a Notary Public or competition authorities, Power of Attorney, and a copy of certificate of mark registration. The term of protection of this recordal is valid for 5 years from the date of issuance of the recordal certificate or less than 5 years according to the validation of agreement.

<u>Note:</u> Application for the recordal of licence and franchise agreement must be done at any time within 6 months from the effective date of the agreement. The application is valid only when all the conditions are completely fulfilled. In the case that the examiners find any unusual conditions within the application form, they will notify the applicant via written letter no later than 30 days from the signing date, and the applicant has 60 days to respond back to the office.



Overall, the presence of this Prakas is very useful for all IP owners and practitioners because it provides a clear guideline of license and franchise agreement recordation in the Kingdom of Cambodia.

If you have any questions or require any additional information, please contact **Khieu Mealy** or **Chhim Leakena** of SokSiphana&associates (a member of ZICO Law).

This alert is for general information only and is not a substitute for legal advice.

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