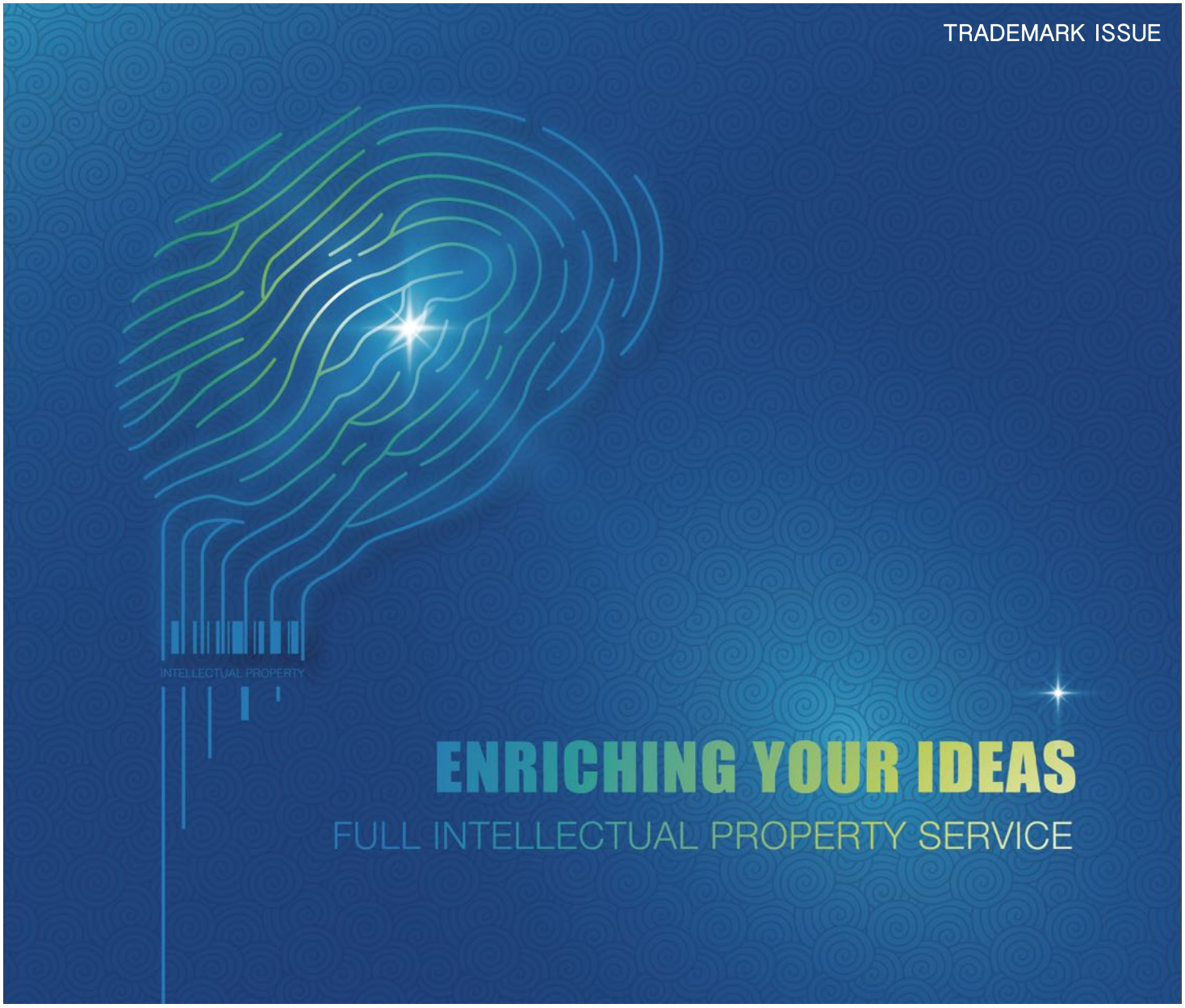
CCPIT PATENT AND TRADEMARK LAW OFFICE
中国国际贸易促进委员会专利商标事务所

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Newsletter



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CCPIT PATENT AND TRADEMARK LAW OFFICE

CCPIT PATENT AND TRADEMARK LAW OFFICE is the oldest and one of the largest full-service intellectual property law firms in China. Our firm has 292 patent and trademark attorneys, among whom 76 are qualified as attorneys-at-law. We provide consultation, prosecution, mediation, administrative enforcement and litigation services relating to patents, trademarks, copyrights, domain names, trade secrets, trade dress, unfair competition and other intellectual property-related matters. Headquartered in Beijing, we have branch offices in New York, Tokyo, Munich, Madrid, Hong Kong, Guangzhou and Shanghai.

The mission of the firm is to render tailored qualified, efficient and reliable services to clients in a cost-effective manner. We strive to improve constantly the reliability and flexibility of our portfolio management system and the effectiveness of our quality control mechanism. We appoint teams of professionals with complementary expertise and organize brainstorming discussions whenever necessary. Our professionals are encouraged to be both proactive and creative, providing commentary and guidance and creating value-added solutions for our clients.

The clients of the firm represent every sector of industry and commerce, ranging from start-up businesses to multinational giants. Through decades of practice, we have successfully obtained hundreds of thousands of patents and trademark registrations and enforced thousands of patents and trademarks for our clients. With extensive legal and technological expertise, we are in a position to satisfy the demands of our clients in all aspects of intellectual property protection.

The firm provides one-stop intellectual property services and stays true to the following core values: integrity, diligence, teamwork, pro-activity, solution-oriented approach.

- Firm of the Year for trademark prosecution 2018 , Tier 1 Firm for patent prosecution and contentious, Tier 1 Firm for trademark prosecution 2017 (MIP)
- IP Law Firm of the Year-China 2018 (ALB)
- Band 1 IP Firm for non-litigation 2018 (Chambers)
- Highly Recommended for prosecution, Gold Band for litigation and transactions 2017 (IAM 1000)
- Gold Band for prosecution and strategy, Silver Band for enforcement and litigation 2018 (WTR 1000)
- Top Tier IP Firm 2018 (Legal 500)
- IP Law Firm of the Year for trademark and copyright 2017-2018 (China Business Law Journal)
- China Patent Firm of the Year, Tier 1 Firm for patent and trademark prosecution and contentious 2017 (Asia IP)
- Outstanding IP Firm 2018 (Asialaw Profiles)



Attorneys of the International Trademark Department

Introduction to the International Trademark Department

CCPIT enjoys broad and strong client base. So far, we have provided comprehensive and high-end legal services and customized strategic brand management services for thousands of foreign enterprises in respect of trademark prosecution and enforcement. CCPIT has become one of the most influential firms in the industry. Over the years, because of remarkable performance, CCPIT has won numerous honors and awards, which represent high praise and full affirmation from clients.

In trademark prosecution, we have been constantly strengthening our team work modes and procedure management. In trademark litigation, we have made all the efforts to forge a team that focuses on quality and details of legal services. Our vision is to build up a professional team of trademark agents that is trusted by our clients and respected by the authorities.

Five Groups of the Trademark Attorneys Offering Team Work











Introduction to the Trademark Search and Surveillance Services

The trademark search and watch division works as a separate unit in our Trademark Department. It is a distinctive and long-history business in our trademark services. Presently, there are twelve people in this division.

The trademark search service began in the early 1970s. It has helped our clients in the trademark application field for more than 40 years. The trademark search service closely follows the trademark examination practice, and it has rich practical experience in the trademark search. The trademark search service has won great praise for its professionalism.

The trademark watch service was built up in 1990s, it was built firstly for the good protection of the client's trademarks in mainland China. In 2012, The trademark watch service has broaden the range of trademark watch countries/areas to Singapore, Taiwan, HK and Macau. In the near future, it will also introduce the Big Data system into the device mark watch. The trademark watch service not only protects the clients' great number of trademarks, but also helps our firm in the continuing growth of the annual business revenue.





Part III

Introduction to the Trademark Recordal and Renewal Services

The Trademark Recordal and Renewal Services, as a newly found group in 2017, specializes in recordal of trademark assignment, recordal of trademark applicant's and registrant's name/address change, and trademark renewal before the China Trademark Office (CTMO). Our team currently has six colleagues, three with Master degree and others equipped with professional experience in this field for more than three years.

We provide prompt and efficient communications between our clients and the CTMO, safety management controlling any task deadlines, as well as professional solutions to help our clients in minimizing risks and making better decisions.

Key features of our services include:

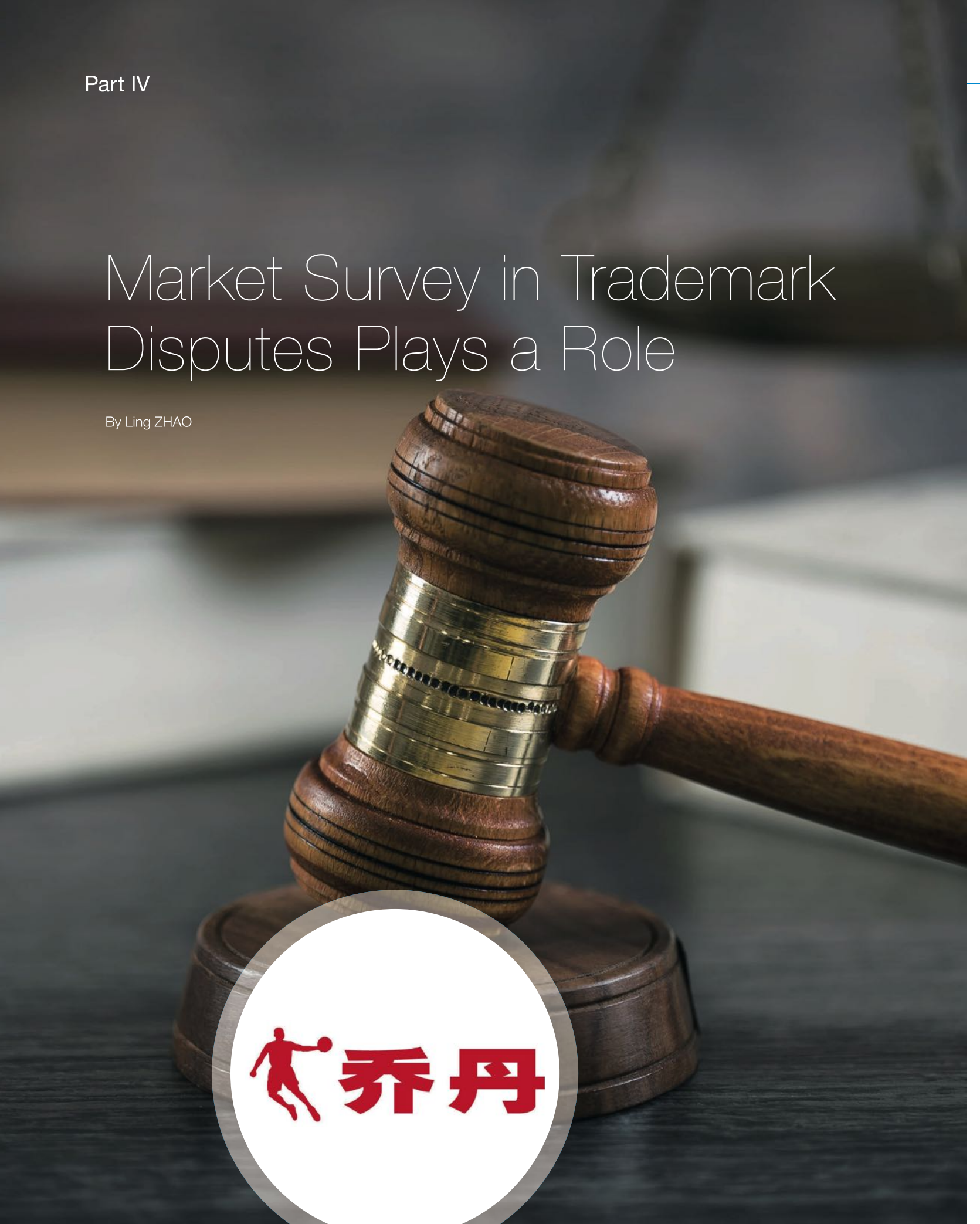
- Scheduled reminders and reliable management to guarantee the maintenance of trademark right in regard with renewal
- Cost-competitive and well-managed recordal process of trademark ownership update
- Better access with examiners of the CTMO to increase the success of the recordal process
- Daily brainstorming within our team based on our experience of worldwide clients background

With our enthusiastic and professional services, we aim at providing a reliable and excellent platform for our clients suiting their needs for trademark renewal and ownership update.

Part IV

Market Survey in Trademark Disputes Plays a Role

By Ling ZHAO



Although controversies about wheth er a market survey can be evidence in proof of reputation of a trademark had been going on, the Supreme People's Court in its retrial cases as regards essentially the ownership of the Chinese transliteration of "Jordan" took a big step forward by siding with Michael Jordan, "the greatest basketball player of all time". In the series of cases, Michael Jordan requested the Trademark Review and Adjudication Board ("TRAB") to revoke the Chinese trademark " 乔丹 " (Chinese transliteration of "Jordan") in 2012, of which the registrant is Fujian Qiaodan Sports Company. The requests were rejected by the TRAB and Michael Jordan further lost in the following first and second instances, he requested retrials with the Supreme Court.

To show the ownership of the Chinese trademark, the plaintiff submitted a market survey conducted in five different cities, namely in Beijing, Shanghai, Guangzhou, Chengdu and Changshu, regarding who the public would associate the Chinese name " 乔丹 " to and how the public would judge upon the relation between Michael Jordan and Fujian Qiaodan Sports Company. The Supreme Court ruled that the market survey could prove that stable corresponding connection between the Chinese name " 乔丹 " and Michael Jordan had been established, and the related public would associate the Chinese name " 乔丹 " with Michael Jordan. The whole process of the market survey was notarized by the notary public, and was accepted by the court as an effective piece of evidence in proof of the reputation of Michael Jordan in China and the stable corresponding relation between the Chinese name " 乔丹 " with Michael Jordan.

Market surveys have been admitted as effective evidence in other civil infringement cases. For example, in false advertisement cases, it had been submitted to show how the related public would feel about the advertisements and right of reputation. However, it is still not widely accepted in trademark cases in China. That's way the Judicial Ministry of China regarded this case in January 30, 2018 as a significant one about the admission of a notarized market survey in intellectual property cases.

This case doesn't mean an end of the controversies. Is the issue of trademark reputation a legal one or a factual one? Should the issue of similarity between two trademarks be decided by the related public, or by the court after taking all the relevant factors into consideration and applying the examination criteria according the special circumstances in each case? There are also concerns about the credibility of the investigators conducting surveys. Are interviewees selected by random or by preference? And how the preference would affect the results of the market survey and then the judgement of the legal issues? The Supreme People's Court's verdict provides a very good precedent and guidance to Chinese trademark attorneys, who would like to introduce market survey into their daily practice of the law.



Mobil Pesticides? No, We Won't Allow It!

By Ling ZHAO

Seeing the brands "Mobil" or " 美孚 "(a corresponding Chinese trademark of "Mobil"), we would associate it to the leading entrepreneur in the oil business – ExxonMobil, and the Mobil 1 lubricating oils we use to lubricate our cars. When seeing pesticides or fertilizers bearing the same Mobil mark, we would feel confused, and when realizing that this Mobil is not the Mobil we are familiar with, we then would accept the fact that there might be two Mobil brands? No, ExxonMobil says no to the infringement that



would bring about dilution to its famous brand built up by years' use and continuous publicity in the market. No, the Court says no to trademark infringement that would confuse the public or dilute a well-known trademark.

Recently, Beijing High Court rendered a verdict awarding RMB 3 million damages upon four joint infringers, who had being using similar "MEIFU 美孚 " (This mark is composed of the corresponding Chinese trademark of "Mobil" and its Chinese pinyin) mark on pesticides and fertilizers since 2004 according to the records, and even tried to register for the mark and failed. ExxonMobil claims for cross-class protection for its well-known trademarks "Mobil" and " 美孚 " used on lubricants against the "MEIFU 美孚 " mark used on pesticides and fertilizers. The court recognized the well-known status of the "Mobil" and " 美孚 " marks, ruling that although there is no direct proof of the losses of ExxonMobil due to the infringement or the actual illegal income of the infringers within the last two years, the trademarks "Mobil" and " 美孚 " of ExxonMobil have become well-known since 2004, occupying a remarkable portion of the market share in the lubricant business in China, while the use of the infringing mark would dilute the distinctiveness of the well-known "Mobil" and " 美孚 " marks. Taking all into consideration, including the illegal income of the infringers, the distinctiveness, the reputation and the market value of the well-known trademarks, as well as the duration and scale of infringing acts that damage the interest of the well-known trademark owner, Beijing High Court finally decided to award RMB 3 million damages to the trademark owner, which is the upper limit of the statutory damages in the China Trademark Law.

What do we learn from this case? One is that we should never hesitate to sue the trademark infringers, and the more famous our trademarks are, the better protection we can obtain from the court against infringement and counterfeit, including higher damages. Recently the central government issued the Opinions on Several Issues Concerning Enhancement of Reform and Renovation of Intellectual Property Trials, emphasizing the value of intellectual property rights and the importance of proper return awarded to the right owners. According to the Opinions, higher damages and even punitive damages should be awarded to the right owners against intellectual property infringement, in order to create a better legal environment and to reduce infringement. China has now become a preferred place for the IP right owners to initiate litigation against infringements.

Piercing the Corporate Veil, Tackling the "Cat and Mouse" Scenario

by Qin LI

As known as the "corporate veil", the legal personality of a company of limited liability is separated from the personalities of its shareholders, which protects shareholders from being personally liable for the company's debts and other obligations. However, this is not always the case. In Siemens Vs. Xinchang Siemens, etc. in relation to trademark infringement [case number: (2016) Zhe Min Zhong No. 699], Zhejiang Province Higher People's Court held that, the shareholders of limited companies, especially legal representatives, may take the companies as a tool or facade to conduct



infringement, obtaining unjust benefits by controlling the companies and escaping tort liability by utilizing the corporate veil. This situation mostly occurs at the source of infringement, namely, manufacturers of counterfeits, which greatly damages the interests of intellectual property holders and violates the generally accepted principles of good faith and business ethics.

Jiangsu Higher People's Court also held that the corporate veil can be pierced under certain circumstances, meaning that legal representatives can be held jointly liable with their company. In this case [case number: (2015) Su Zhi Min Zhong No. 179], Sakura Bath & Kitchen Products (China) Co., Ltd. (hereinafter referred to as "Sakura"), the holder of the registered trademark " 樱花 Sakura" (No.1209675) in China, sued Suzhou Sakura Technology Development Co., Ltd. and other two companies with "Sakura" as their company names, as well as the two legal representatives of the three companies, for unfair competition and trademark infringement.

In its second-instance judgment, Jiangsu Higher People's Court ruled that the use of "Sakura" as trade names and trademark by the three companies infringed upon Sakura's trademark rights and constituted unfair competition. Furthermore, the court also ruled that the legal representatives of the companies shall be held jointly liable with their companies for trademark infringement and unfair competition.

The court applied Article 8 of China's Tort Law about the joint liability and based its finding on evidence of intentional and malicious infringement by the legal representatives. The court emphasized that, one of the legal representatives set up new companies with "Sakura" as the company names after its former company had already been punished for infringements of Sakura's trademarks in an earlier case heard by the same court; the other legal representative ever filed trademarks similar as Sakura's trademarks but cancelled by the TRAB which proved the other legal representative also had full knowledge about Sakura's trademarks. Besides, the legal representatives had significant control on their companies for they owned 90% of the shares in the companies and therefore could be held accountable for the infringement committed by their companies. Further, the main business conducted by the companies had been involved in infringement activities consisting of counterfeiting Sakura's marks all the time since their incorporation for which the legal representatives shall be responsible. For the above reasons, the court ruled that the companies and their legal representatives had committed joint infringements, and should therefore be held jointly liable for the damages granted, i.e. RMB 2 million (about USD 320,000).

This case seems to have expanded the scope of the joint liability of the shareholders, but it is generally seen as a part of a continuing positive development for trademark enforcement in China and a milestone in protecting trademark rights, for it apparently offers an encouraging new enforcement approach against infringers in China, who have traditionally hidden behind a string of maliciously set up companies and abused the corporate veil to escape direct liability.

This case is of typical significance in a bid to prevent the infringement at the source. The corporate veil piercing could in fact efficiently tackle the "cat and mouse" scenario: this judgment may encourage both trademark owners and courts to take a more aggressive avenue against trademark infringements with much more deterrent effect, in which both the infringing company and the mastermind behind the scene can be targeted at the same time, where it requires the trademark owners to investigate and collect sufficient evidence showing that the culpable individuals were independently and actively involved in the infringing activities, or that the limited companies were just a façade for infringing activities.

Similar or Not Similar, a Key Question

By Fang WANG



Can the use of a trademark on certain designated goods maintain the registration of the trademark on similar goods? How to define "similar goods" in non-use cancellation actions?

These two questions are the essential points in many non-use cancellation actions. In the recent adjudication made by the Supreme People's Court No. (2017) Zui Gao Fa Xing Shen No. 8597, the Court provides clear guidelines for these two questions.

The case is between our client "Sunpower Corporation" and a local company. In 2014, Sunpower Corporation filed a partial non-use cancellation against the trademark registration No. 3476490 "maxon" on "batteries, battery chargers and chargers".

During the examination, the registrant submitted only evidence of use on "cellphones". No any qualified evidence of use of the trademark on "batteries, chargers" was submitted. Therefore, the non-use cancellation request was supported by the Trademark Review and Adjudication Board.

Not satisfied with the decision, the registrant filed an appeal at Beijing IP Court. After the first instance examination, Beijing IP Court made the adjudication that "cellphones" and "batteries" are "similar" goods, therefore, the use of the trademark on "cellphones" can be regarded as the use on "batteries".

This decision is not acceptable to Sunpower Corporation. So Sunpower Corporation lodged the appeal of second instance examination before Beijing High People's Court on the grounds (1) "cellphones" and "batteries" are not similar goods according to the Nice Similar Goods/ Services Classification as adopted by the China Trademark Office; (2) "cellphones" and "batteries" are not similar goods in terms of functions, usages, target consumers and marketing channels. Sunpower Corporation argued that the use of the trademark on "cellphones" could not maintain the registration of the trademark on "batteries".

The Court accepted the arguments of the Sunpower Corporation and held that in non-use cancellation cases, the examination of "similarities of goods/services" should follow the Similar Goods/Services Classification strictly due to the nature of such cases. The valid evidence of use of a trademark on certain designated goods can only prove the use of the mark on goods which are also designated by the trademark and fall into the same sub-class. In non-use cancellation cases, not like opposition or invalidation actions, the judgement on the similarities of goods should be based on the Nice Similar Goods/ Services Classification as adopted by the China Trademark Office.

Not satisfied with the decision made by Beijing High People's Court, the adverse party filed an application for re-examination before the Supreme People's Court. After examining the evidences of use as filed, the Court is of the opinion that even though "batteries, chargers" are necessary parts of a cellphone, they are independent commodities which have independent functions. The use of the trademark on cellphones cannot be extended to "batteries, chargers". In sum, the decisions made by Beijing High People's Court is correct.

This adjudication provides a clear and definite guideline for non-use cancellation actions of similar natures and factors. Owners of registered trademarks shall always follow the gist of the case to keep their registered trademark valid.

SPC's Changing Attitude to Letters of Consent in China

By Jing ZHU

In Google Inc. v. the China Trademark Review and Adjudication Board, the Supreme People's Court of China (hereinafter referred to as SPC) accepted a Letter of Consent as supporting evidence in a trademark administrative case involving nearly identical trademarks [Case No: (2016) Supreme Court Administrative Retrial No. 102]. It is expected that, in the future, if a Chinese trademark application is obstructed by a prior identical or similar trademark, the applicant could consider submitting a LoC issued by the proprietor of the prior trademark to overcome the rejection.

Google Inc. applied for registration of a trademark for "nexus" (App. No. 11709161) on "laptop computers and hand-held computers", but it is obstructed by a prior trademark "NEXUS" (Reg. No. 1465863) on "bicycle computers" owned by Shimano Inc. During the review proceedings before China Trademark Review and Adjudication Board (hereinafter referred to as TRAB), Google obtained a notarized and legalized LoC from Shimano, who consented to the coexistence of Google's "nexus" and Shimano's NEXUS.

However, the TRAB, Beijing IP Court and Beijing Higher People's Court all deem that allowing nearly identical trademarks owned by different parties to coexist on similar goods will disrupt the stable market order and bring about consumers' confusion. Therefore, the TRAB and the Courts refused to accept the validity of the LoC.

During the retrial, SPC overturned the decisions of the TRAB and two lower Courts. SPC ruled that the two lower Courts improperly denied the LoC issued by Shimano, and ordered the TRAB to reissue a new decision, approving Google's application "nexus" to be registered.

From this case, it is very clear that a LoC issued by the proprietor of a prior trademark is important evidence to be considered in SPC's deciding whether the applied-for trademark violates Article 30 of China Trademark Law [which relates to whether a trademark filed for registration is identical or similar to prior trademarks on same or similar goods/services].



The significance of a LoC lies in the following considerations:

1.The proprietor has the right to dispose its trademark rights, including issuing a LoC to a younger trademark applicant. A LoC shall be validated when it does NOT damage state interests, public interests and a third party's interests.

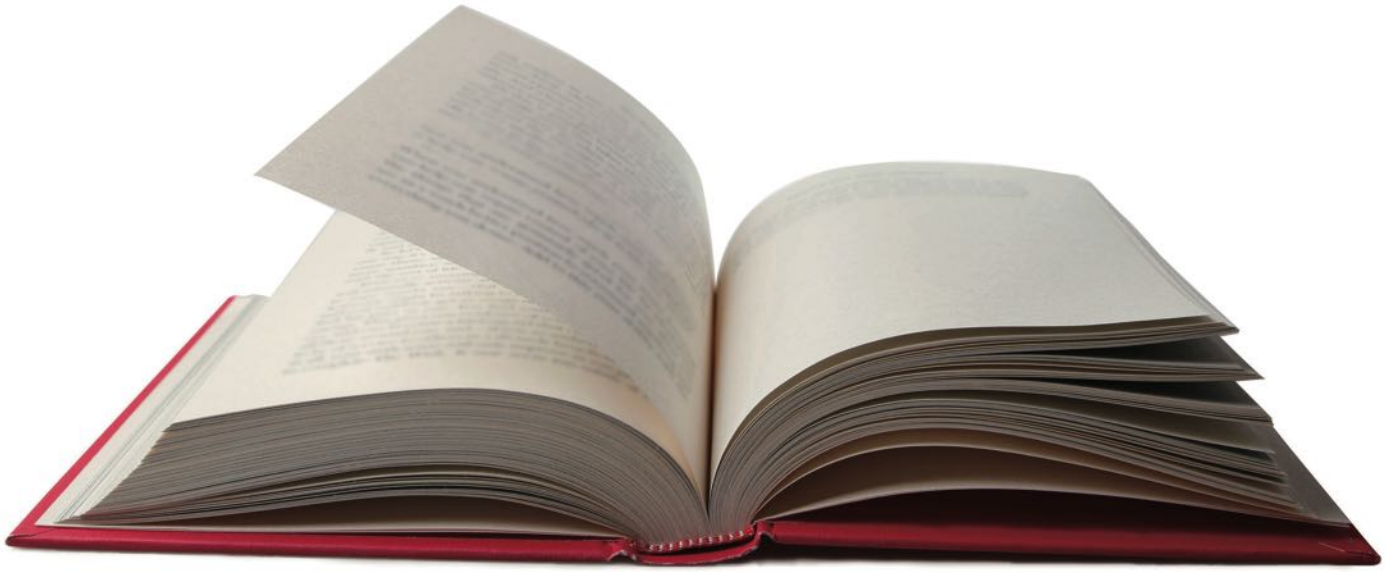
2.The China Trademark Law aims to protect the interests of both consumers and producers and dealers: neither should be neglected.

In this case, (i) a certain amount of differentiating capability of consumers against similar business symbols should be taken into account. (ii) For specific historical reasons, it is possible that similar business symbols honestly and concurrently registered and used by different businesses coexist in the market. (iii) Shimano's issuance of the LoC indicates it has taken a negative or tolerant attitude towards the likelihood of Google's registration causing consumer confusion.

3.Although the very function of a trademark is to identify the source of goods or services, other business symbols, such as Google's corporate name, trade name, packaging and decoration of goods etc., also serve the source identifiers. Hence, the actual use of Google's trademark along with other business symbols can effectively avoid consumers' confusion and misrecognition.

Before this case, when the TRAB and the Courts were considering the impact of prior trademarks on an applied-for trademark, they usually determined that the China Trademark Law shall protect consumers from confusion as to the source of goods or services, and therefore, LoCs or Coexistence Agreements may not much help to reduce a consumer's likelihood of confusion, especially when later-filed trademark and prior-registered trademark(s) are identical or highly similar.

Nonetheless, this SPC judgment will have direct influence on the practices of the TRAB and the Courts in the future, i.e. a proper consent agreement be given substantial weight even for identical or highly similar marks. First, a LoC signed by the proprietor of a prior trademark should be respected, provided there is no harm to state interests or public interests, or to the interests of a third party. Second, if differences exist on the trademarks, goods or services, business scopes, market segments and consumers of the two parties, which means they have no or not direct competition, identical or highly similar marks should be allowed to coexist on the Register.



Provisions of the Supreme People's Court on Several Issues concerning the Trial of Administrative Cases involving Trademark Authorization and Confirmation [Effective]

Announcement of the Supreme People's Court

The Provisions of the Supreme People's Court on Several Issues concerning the Trial of Administrative Cases involving Trademark Authorization and Confirmation, as adopted at the 1,703rd Session of the Judicial Committee of the Supreme People's Court on December 12, 2016, are hereby issued and shall come into force on March 1, 2017.

Supreme People's Court

January 10, 2017

Provisions of the Supreme People's Court on Several Issues concerning the Trial of Administrative Cases involving Trademark Auth orization and Confirmation

(Interpretation No. 2 [2017] of the Supreme People's Court, adopted at the 1,703rd Session of the Judicial Committee of the Supreme People's Court on December 12, 2016 and coming into force on March 1, 2017)

For the correct trial of administrative cases involving trademark authorization and confirmation, these Provisions are developed in accordance with the provisions of the Trademark Law of the People's Republic of China, the Administrative Litigation Law of the People's Republic of China and other laws and in consideration of the trial practice.

Article 1 For the purpose of these Provisions, "administrative cases involving trademark authorization and confirmation" means the cases filed with the people's courts by counter parties or interested parties against review of rejection of trademark registration applications, review of disapproval of trademark registration, review of cancellation of trademarks, declaration of invalidation of trademarks and review of declaration of invalidation and other administrative acts made by the Trademark Appeal Board of the administrative department for industry and commerce under the State Council (hereinafter referred to as the "Trademark Appeal Board").

Article 2 The scope of examining the administrative behaviors of trademark authorization and confirmation by the people's courts shall generally be determined according to the claims and grounds of plaintiffs. Where a plaintiff does not make any claim in the litigation, but the relevant identification of the Trademark Appeal Board has obvious inappropriateness, the people's court may review the relevant matters and render a judgment after all parties state their opinions.

Article 3 "Identical with or similar to" the name and other items of the People's Republic of China as prescribed in item (1), paragraph 1, Article 10 of the Trademark Law means that a trademark sign is identical with or similar to the name of the state as a whole.

Where a sign that contains the name of the People's Republic of China and is not identical therewith or similar thereto as a whole may damage state dignity if it is registered as a trademark, the people's court may determine that it falls under the circumstance as prescribed in item (8), paragraph 1, Article 10 of the Trademark Law.

Article 4 Where a trademark sign or its constituent elements are deceptive and easily make the public misunderstand the quality and other characteristics or the origin of the goods and the Trademark Appeal Board identifies that it falls under the circumstance as prescribed in item (7), paragraph 1, Article 10 of the Trademark Law, the people's court shall grant support thereto.

Article 5 Where a trademark sign or its constituent elements may cause passive and negative effect on the social and public interests and public order of China, the people's court may determine that it falls under the circumstance of "having other adverse effect" as prescribed in item (8), paragraph 1, Article 10 of the Trademark Law.

Applying for registration of a name of a public figure in the political, economic, cultural, religious, ethnic and other areas as a trademark falls under the circumstance of "having other adverse effect" as prescribed in the preceding paragraph.

Article 6 Where a trademark mark is composed of a place name a administrative division at or above the county level or another foreign place name known to the public and has a meaning different from the place name as a whole, the people's court shall determine that it does not fall under the circumstance as specified in paragraph 2, Article 10 of the Trademark Law.

Article 7 When examining whether a trademark has a distinctive feature, the people's court shall, according to the general knowledge of the relevant public using the commodity designated to use trademark, judge whether the trademark has any distinctive feature as a whole. A trademark sign that contains descriptive elements but does not affect its distinctive feature as a whole or a descriptive sign that is expressed in a unique way and whose source of goods may be identified by the relevant public shall be determined to have distinctive feature.

Article 8 When a disputed trademark is a sign in foreign language, the people's court shall, according to the general knowledge of the relevant public within the territory of China, examine and judge whether the trademark in foreign language has distinctive feature. Where the inherent meaning of a sign in both Chinese and foreign language may affect its distinctive feature on the commodity designated to use the trademark and the relevant public has relatively low degree of awareness of the inherent meaning and is able to identify the source of goods with the sign, it may be identified that it has distinctive feature.

Article 9 Where an application is filed for the registration of a trademark with the shape or a part of the shape of a commodity as a three-dimensional sign and it is difficult for the relevant public to recognize it as a sign indicating the source of the commodity under general circumstance, the three-dimensional sign has no distinctive feature as a trademark.

The shape is independently created or firstly used by the applicant, and does not surely make it have the distinctive feature as a trademark.

Where a sign referred to in the first paragraph is used for a long period of time or is widely used, the relevant public is able to identify the source of the commodity through the sign, it may be recognized that the sign has distinctive feature.

Article 10 Where a disputed trademark is a legal commodity name or a commodity name established by usage, the people's court shall determine it as a common name specified in item (1), paragraph 1, Article 11 of the Trademark Law. A trademark that is a common name of a commodity under the provisions of the law or the national standards and industry standards shall be

recognized as a common name. Where relevant public generally believes that a certain name is able to refer to a category of goods, it shall be recognized as a common name "established by usage." A trademark that is listed as a commodity name by professional reference books, dictionaries and other items may be used as reference for recognizing the common name established by usage.

Common names established by usage shall generally be judged according to the common understanding of the relevant public across the country. A title of a fixed commodity on relevant market formed due to historical traditions, customs, geographical environment and other reasons that is commonly used on the relevant market may be recognized as a common name by the people's court.

Where a disputed trademark applicant knows perfectly well or should know that the trademark applied to be registered is the name of a commodity established by usage in some regions, the people's court may regard the trademark applied to be registered as a common name.

The people's court shall examine and judge whether a disputed trademark is a common name generally according to the de facto status on the date when an application is filed for the trademark. Where the de facto status changes when the registration is approved, whether it is a common name shall be judged according to the de facto status when the registration is approved.

Article 11 Where a trademark sign only or mainly describes and explains the quality, main raw materials, function, purpose, weight, quantity, origin and other items of the commodity, the people's court shall determine that it falls under the circumstance as prescribed in item (2), paragraph 1, Article 11 of the Trademark Law. Where a trademark sign or its constituent elements imply the characteristics of the commodity, but do not affect its function of identifying the source of the commodity, it does not fall under the circumstance as prescribed in this item.

Article 12 Where a party claims that a disputed trademark constitutes reproduction, imitation or translation of a famous trademark not registered and should not be registered or should be invalidated according to paragraph 2, Article 13 of the Trademark Law, the people's court shall give comprehensive consideration to the following factors and the mutual impact of the factors, and determine whether it easily causes confusion:

(1) the degree of approximation of the trademark sign;

(2) the similarity of the commodity;

(3) the distinctiveness and popularity of the trademark requested to be protected;

(4) the degree of attention of relevant public; and

(5) other relevant factors.

The subjective intent of the trademark applicant and the evidence of actual confusion may be used as a reference factor for determining the possibility of confusion.

Article 13 Where a party claims that a disputed trademark constitutes reproduction, imitation or translation of a famous trademark registered and should not be registered or should be invalidated according to paragraph 3, Article 13 of the Trademark Law, the people's court shall give comprehensive consideration to the following factors, to determine whether the use of a disputed trademark is sufficient to make the relevant public to believe that there is a considerable degree of connection with the famous trademark, thereby misleading the public and resulting in possible harm to the interests of the registrant of the famous trademark:

(1) the distinctiveness and popularity of the reference trademark;

(2) whether a trademark sign is sufficiently similar;

(3) the information on the commodity designated to use the trademark;

(4) the degree of coincidence and attention of relevant public; and

(5) the information on the lawful use of a sign similar to the reference
trademark by other market participants or other relevant factors.

Article 14 Where a party claims that a disputed trademark constitutes reproduction, imitation or translation of a famous trademark registered and should not be registered or should be invalidated, and the Trademark Appeal Board upholds its support under the provisions of Article 30 of the Trademark Law, if the disputed trademark has been registered for less than 5 years, the people's court may, after the party state the opinions, try the case under the provisions of Article 30 of the Trademark Law; and if the disputed trademark has been registered for more than 5 years, the people's court shall try the case under paragraph 3, Article 13 of the Trademark Law.

Article 15 Where a trademark agent, representative or distributor, agent and other agents and representatives in the sense of sales agency relation applies for registration of a trademark identical with or similar to the trademark of the principal or represented party on a identical or similar commodity in its own name without authorization, the people's court shall try the case under the provisions of paragraph 1, Article 15 of the Trademark Law.

Where, at the stage of consultation for the establishment of an agent or representative relationship, the agent or representative specified in the preceding paragraph applies for registration of a trademark of a principal or represented party, the people's court shall try the case under the provisions of paragraph 1, Article 15 of the Trademark Law.

Where there is kinship and other specific identity relationships between a trademark applicant and an agent or a representative, it may be presumed that its behavior of trademark registration is maliciously colluded with the agent or representative, and the people's court shall try the case under the provisions of paragraph 1, Article 15 of the Trademark Law.

Article 16 The following circumstances may be recognized as “other relations” as prescribed in paragraph 2, Article 15 of the Trademark Law:

(1) The trademark applicant has kinship with the prior user.

(2) The trademark applicant has labor relation with the prior user.

(3) The trademark applicant has a business address adjacent to that of the prior user.

(4) The trademark applicant has negotiated with the prior user on reaching agent and representative relations, but agent or representative relation has not been formed.

(5) The trademark applicant has negotiated with the prior user on reaching contract and business relations, but contract or business relation has not been formed.

Article 17 Where an interested party of a geographical indication claims that another's trademark shall not be registered or shall be invalidated in accordance with Article 16 of the Trademark Law, if the commodity designated to use the disputed trademark is not identical

with the geographical indication product, the interested party of the geographical indication may prove that the disputed trademark is used on the product and is still likely to make the relevant public to mistakenly believe that the product is derived from the region and therefore has specific quality, reputation or other characteristics, the people's court shall grant support thereto.

If the geographical indication has been registered as a collective trademark or a certified trademark, the right owner or the interested party of the collective trademark or certified trademark may choose to claim rights in accordance with the article or otherwise under Article 13 and Article 30 of the Trademark Law.

Article 18 The prior rights as prescribed in Article 32 of the Trademark Law include the civil rights or other lawful rights and interests to be protected as enjoyed by the parties before the date when an application for the disputed trademark is filed. Where the prior rights no longer exist when a disputed trademark is approved to be registered, the registration of the disputed trademark shall not be affected.

Article 19 Where a party claims that a disputed trademark damages its prior copyright, the people's court shall, under the Copyright Law and other relevant provisions, examine whether the subject claimed constitutes a production, whether the party is a copyright owner, or whether another interested party having the right to claim for copyright and the disputed trademark infringe upon the copyright.

Where a trademark sigh constitutes a work protected by the Copyright Law, the design manuscript, original copy, contract on rights obtaining, copyright registration certificate before the date of filing an application for claiming for a trademark, and other documents may be used as the preliminary evidence for proving the ownership of copyright.

Trademark announcement, trademark registration certificate and other items may be used as preliminary evidence for determining that the trademark applicant is an interested party with the right to claim for the copyright of the trademark sign.

Article 20 Where a party claims that a disputed trademark damages its right of name, if the relevant public believes that the trademark sign refers to the natural person, and it is easy to believe that a commodity with the trademark has obtained the permission of the natural person or has specific relation with the natural person, the people's court shall determine that the trademark has damaged the right of name of the natural person.

Where a party claims for the right of name with its pseudonym, stage name, translated name and other specific names, the specific name has certain reputation, the party has established stable correspondence with the natural person, and relevant public refers to the natural person with the name, the people's court shall grant support thereto.

Article 21 Where the title claimed by a party has certain market reputation, another person applies for registration of a trademark identical with or similar to the title without permission, it easily makes relevant public to have confusion on the source of the commodity, and the party therefor constitutes prior rights and interests, the people's court shall grant support thereto.

Where a party files a claim on the basis of the short name of an enterprise that has a certain market reputation and has established stable correspondence with the enterprise, the preceding paragraph shall apply.

Article 22 Where a party claims that a disputed trademark damages the copyright of the role image, the people's court shall conduct examination in accordance with Article 19 of these Provisions.

For a work with copyright protection period, if the name of the work and the name of the role in the work have relatively high reputation, use of the name as a trademark in a relevant commodity easily makes the relevant public mistakenly believes that permission of the right owner has been obtained or there is specific contact with the right owner, and the party claims that it has prior rights and interests, the people's court shall grant support thereto.

Article 23 Where a prior user claims that a trademark applicant preemptively registers a trademark that is primarily used by it and has certain influence by illicit means, if the trademark primarily used has had certain influence, and the trademark applicant knows or should have known the trademark, it may be presumed that it constitutes “preemptive registration by illicit means,” except the trademark applicant proves that it did not maliciously use the goodwill of the trademark.

A prior user proves that its prior trademark has certain period of continuous use, region, sales volume or advertising, the people's court may determine that it has certain influence.

Where a prior user claims that a trademark applicant applies for registration of a trademark that is primarily used by it and has certain influence on a commodity not similar thereto and violates the provisions of Article 32 of the Trademark Law, the people's court shall not grant support thereto.

Article 24 Where a party disrupts the order of trademark registration, damages public interests, illegally occupies public resources or seeks illicit interests by means other than deceit, the people's court may determine that it belongs to “other illicit means” as prescribed in paragraph 1, Article 44 of the Trademark Law.

Article 25 When judging whether a disputed trademark applicant has “maliciously registered” a famous trademark of another party, the people's court shall give comprehensive considerations to the popularity of the reference trademark, the grounds of the disputed trademark applicant for applying for the disputed trademark, and the specific circumstance of using the disputed trademark, to determine its subjective intent. Where a reference trademark has high popularity and a disputed trademark applicant has no justified reason, the people's court may presume that its registration constitutes “malicious registration” as specified in paragraph 1, Article 45 of the Trademark Law.

Article 26 Independent use by a trademark owner, user by another party with permission and other use without violating the will of the trademark owner may be recognized as the use as specified in paragraph 2, Article 49 of the Trademark Law.

Where a trademark sign actually used is slightly different from the trademark sign approved to be registered, but does not change its distinctive feature, it may be deemed use of a registered trademark.

Only transfer or licensing without actual use of a registered trademark or only announcement of the information on trademark registration and statement of enjoying the exclusive right to use the registered trademark shall not be registered as use of a trademark.

Where a trademark owner has the real intention to use a trademark and has made necessary preparations for the actual use, but a registered trademark has not been actually used for other objective reasons, the people's court may determine that it has justified reason.

Article 27 Where a party clams that the following circumstances of the Trademark Appeal Board fall under the circumstances of “violating the legal procedures” as prescribed in item (3), Article 70 of the Administrative Litigation Law, the people's court shall grant support thereto:

(1) The review reasons put forward by the party are omitted, which causes real impact on the rights of the party.

(2) A member of the collegial panel is not informed of the review procedures and there is matters that should have been evaded but have not been evaded upon examination.

(3) Competent party is not notified of participating in the examination and the party expressly raises an objection.

(4) Other circumstances in violation of the legal procedures.

Article 28 Where during the process that a people's court tries an administrative case involving trademark authorization and confirmation, the causes for the Trademark Appeal Board to reject a disputed trademark, disapprove its registration or announce its invalidation no longer exist, the people's court may, on the basis of the new facts, revoke the relevant judgment of the Trademark Appeal Board and order the said Board to render a new judgment according to the changed facts.

Article 29 A review application filed by a party on the basis of the newly found evidence after the original administrative behavior, evidence unable to be obtained during the original administrative procedures due to objective reasons or unable to be provided within the prescribed time limit, or new legal basis is not a review application re-filed on the basis of the "same facts and grounds."

During the procedure of review of rejection of a trademark registration application, after the Trademark Appeal Board preliminarily approves and publishes the trademark applied on the ground that the trademark applied and the reference trademark do not constitute identical or similar trademark used on a same or similar commodity, the following circumstances shall not be deemed re-filing of review application on the "same facts and grounds:"

(1) A reference trademark owner or interested party raises an objection according to the reference trademark, the Trademark Office of the administrative department for industry and commerce under the State Council grants support thereto, and the trademark applicant against which an objection is raised applies for review.

(2) A reference trademark owner or interested party announces it to be invalidated according to the application for the reference trademark after a trademark applied is approved to be registered.

Article 30 Where a people's court has specifically determined the relevant facts and the application of laws in an effective ruling, a counter party or an interested party institutes a lawsuit against a ruling re-rendered by the Trademark Appeal Board according to the effective ruling, the people's court shall issue a ruling not to accept the case; and where a case has been accepted, the people's court shall rule to dismiss the lawsuit.

Article 31 These Provisions shall come into force on March 1, 2017. These Provisions may apply, mutatis mutandis, to the administrative cases involving trademark authorization and confirmation tried by the people's courts according to the Trademark Law amended in 2001.



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