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中国贸促会专利商标事务所

# Newsletter



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# WTR recognizes CCPIT as a recommended firm 2022

n March 2022, World Trademark Review (WTR) released the guide WTR 1000 that identifies the top trademark professionals in key jurisdictions around the globe.

Office is recommended and ranks in "Gold Band" for trademark prosecution and strategy in China. The firm also ranks in the trademark enforcement and litigation area in China. According to WTR, "One of the very first licensed IP firms in China, CCPIT Patent and Trademark Law Office continues to be the definitive prosecution powerhouse and a trustworthy IP steward among multinational entities. With 322 patent





and trademark attorneys, it boasts the largest outfit of its kind in Beijing and offers all-round trademark services, delivered with the utmost efficiency and accuracy."

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# Benchmark Litigation recommends CCPIT as a leading litigation firm in 2022

n May 10<sup>th</sup>, Benchmark Litigation released its guide to the leading dispute resolution law firms and lawyers in Asia-Pacific 2022. CCPIT Patent and Trademark Law Office is recommended in the intellectual property area. According to Benchmark Litigation, CCPIT Patent and Trademark Law Office's legacy practice boasts nearly 300 patent and trademark attorneys and lawyers. The enforcement team provides litigation, administrative enforcement and mediation services to clients



# ASIA-PACIFIC 2022

relating to patent, trademark, copyright, domain name as well as unfair competition matters. Its practitioners are well-versed in the pharmaceuticals, chemicals and high-tech industries. The firm kept busy representing tech giant Apple in an administrative litigation against a decision

of an invalidation procedure and successfully securing the patent for the client. The firm also acted for Yunchongba in defending a patent infringement claim and successfully revoked Guangzhou High People's Court's first-instance judgement.

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# Winner of 2022 China IP awards - IP firm of the year by Asia IP



n May 16<sup>th</sup>, Asia IP's editorial team revealed the winners of the 2022 China IP Awards. CCPIT Patent and Trademark Law Office wins the most influential award in the China IP Awards - China IP Law Firm of the Year. The firm also ranks top in the trademark prosecution, trademark litigation, and patent prosecution at the same time. According to Asia IP, "CCPIT Patent and Trademark Law Office is the oldest and one of the largest full-service IP law firms in China, and it continues to provide strong results in

litigation and prosecution."

Competition for the awards was extremely fierce, and the winners do represent the very best IP firms in China. In determining the winners, law firms were asked to submit details of cases they had worked on, which were combined with the research by Asia IP's editorial team. Corporate counsel from around the world then voted on the shortlist, which means that the firm awarded is one of the top choices for corporate counsels looking for IP advice in China.

# Application for design protection in China through the Hague System

By Xiaojun Guo

The 1999 Geneva Act of the Hague Agreement
Concerning the International Registration of Industrial
Designs has been in effect in China since May 5, 2022.
On April 22, 2022, the
China National Intellectual
Property Administration
(the 'CNIPA') published an
Announcement on Interim

Measures for Handling the Relevant Matters after Accession to the Hague Agreement (No. 481) and gave more details on how the CNIPA will handle international design applications. The following points are given on the basis of the Declaration made by China (No.6/2022), the

Announcement, the Patent Examination Guidelines, as well as our experience in handling Chinese design applications.

# **Examination by the CNIPA**

A registered international design application is considered to have met the

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formal requirements for filing a Chinese design application. The CNIPA might however make examination of obvious defects over the claimed designs, including among others,

- whether they conform to the definition of design,
- whether they are contrary to the public order or morals,
- whether they are obviously not new or creative,
- whether they are designs of trademarks,

- whether the drawings have definitely and sufficiently disclosed the designs,
- whether they conform to the unity requirement.

If the application is obviously defective, the examiner will send a Notification of Refusal to the International Bureau within 12 months of the international publication. When the reply involves amendment to the application documents such as

the brief description, the later shall be in the initial language.

After a decision is made to grant protection to the international design application, the CNIPA will publish it in Chinese and the design patent right takes effect in China from the date of publication according to the draft amendments to the Implementing Regulations.

# Drawings and brief description

Article 27(2) of the Patent Law provides that the drawings submitted by the applicant shall clearly show the claimed design. It seems that the CNIPA will not change its current requirements on the drawings. That implies, for a three-dimensional product, at least three sides of the product shall be shown, which may be realized by filing, for example, one orthographical view and

one perspective view at the least. As to GUI, at least one orthographical view showing the display panel containing the GUI shall be submitted.

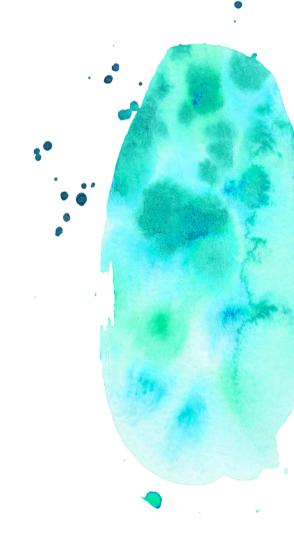
An international design application designating China shall contain a brief description of the characteristic features of the design. Without such a brief description, the effective filing date for China will be postponed. According to Article 64 of the Patent Law, a brief description may be used to explain the claimed designs shown in the drawings. This means the brief description will to some extent define the protection scope of a design, its definiteness, and sufficiency of disclosure.

# Unity

According to Article 31(2) of the Patent Law, an application for a design patent shall be limited to one design, two or more similar designs for the same product (1st situation), or two or more designs, which are incorporated in products belonging to the same class and sold or used in sets (2nd situation), may be included in one application.

In the 1st situation, one main design shall be indicated in the brief description, the other designs shall be similar to the main design and the total number of designs shall not exceed 10. In the 2nd situation, all products must belong to the same Locarno class and be customarily sold or used at the same time, and the designs incorporated in each product must possess the same concept of design.

The applicant may file a divisional application on his own initiative with the CNIPA within 2 months from the date of publication of



the international design application. The applicant may also file a divisional application on the basis of an examiner's opinion.

# **Claiming priority**

If the applicant claimed priority but did not file

a certified copy of the priority application with the International Bureau when filing the application, he shall submit to the CNIPA such a certified copy within 3 months from the date of publication of the international application. Meanwhile, the priority claim fee shall be paid to the CNIPA within 3 months from the date of publication of the international application.

If the applicant recorded in the certified copy of the priority application is different from that of the subsequent Chinese application, the applicant shall submit the supporting document to the CNIPA within 3 months from the date of publication of the international application.

Should one of the three requirements be not met, the application shall be deemed not to have claimed priority.

# Disclosure without loss of novelty

According to Article 24(2), (3) of the Patent Law, the novelty of a design shall not be lost if, within 6 months prior to the date of application, the design was first exhibited at an international exhibition sponsored or recognized by the Chinese government, or it was first made public at a prescribed academic or technological meeting.

If the applicant claims the existence of any of these two circumstances, he shall declare it when filing the international design application and submit to the CNIPA within 2 months from the date of publication of the international application the supporting document together with an explanation. When either a declaration is not made or a supporting document is not submitted,

Article 24(2), (3) of the Patent Law concerning the exception to the loss of novelty will not be applied.

# Change of the ownership

When requesting a change of the applicant or the right holder of an international design application, in addition to the relevant procedures with the International Bureau. the eligible supporting document for that change shall be submitted to the CNIPA to put the change into effect in China. If the supporting document is in a foreign language, it shall be accompanied by a translation of the Chinese inscription. If no supporting document is submitted or the supporting document is not eligible, the change will not be effective in China.

# What does China's accession to the Hague Agreement mean? What you should know

By Gang Hu

n February
5, 2022, the
Chinese
government
deposited its instrument
of accession to the
Geneva text of the Hague
Agreement (1999) with
the director general of the
WIPO, thus becoming the
68th Contracting Party to
the 1999 text and the 77th
member state of the Hague
Union. The Geneva text of

the Hague Agreement (1999) will enter into force in China on May 5, 2022.

In preparation for joining the Hague System, China amended the Patent Law on June 1, 2021. Important modifications related to design patents mainly focus on three aspects: 1) Increasing the protection period of design from 10 years to 15 years; 2)

Provide protection for partial designs; 3) Design applications are allowed to claim domestic priority.

The greatest significance of China's accession to the Hague System is that it opens a new door for Chinese applicants to obtain international protection of designs. Since then, Chinese applicants can relatively easily realize the

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layout of designs in as many as 94 countries and regions in a lower cost and more convenient way.

Over the past decade, China has been the largest applicant for designs in the world.

According to the statistics of the WIPO, in 2020, China received 770,362 design applications, accounting for 55.5% of all design applications submitted

worldwide. Design has been regarded by Chinese applicants as one of the most important factors to improve product competitiveness in addition to technological innovation. At the same time, it is also a sharp tool to explore the international market. It should be said that some design products applied in China have been quite competitive. For example, as early as September 16, 2019,

the Beijing Winter Olympics Organizing Committee applied for four design patents for the mascots "Bing Dwen Dwen", involving signs, labels, signs and mobile phone interfaces. This mascots combines the panda image with the super energy ice crystal shell. The shape of the head shell is taken from the ice and snow sports helmet and decorated with a color halo. The overall image is similar to that of an astronaut (as shown in the figure: ( ). The appearance design of the mascot means to create extraordinary, explore the future, and reflect the infinite possibility of facing the future. The Bing Dwen Dwen's derivative products have been popular in the market, and are highly sought after by athletes and consumers. This fact reveals the rapid improvement of product design level in

China to a certain extent.

According to the provisions of the Hague Agreement, the applicant can submit an international application for design through the Hague System as long as he meets the requirements of having a real and effective business place in a Contracting State of the agreement. Moreover, the International Bureau of WIPO does not verify whether the applicant's qualification is true and valid, but the applicant is responsible for it. This way of submitting an international design application is known in the field as the so-called "compliance way of back door application". Chinese enterprises with keen market insight have already applied for international design applications through their overseas offices in other Hague Contracting States. For this reason, according to the statistics of WIPO, China has ranked seventh in the source country of design applications

in the Hague Agreement in 2020. However, in terms of the number of applications, there are only 361 after all. Even considering that under the Hague System, the applicant can submit an application to cover up to 100 industrial designs belonging to the same class of products, it can be said that there is still a lot of room for growth compared with the 553,038 design applications separately applied by Chinese applicants to overseas countries in the same period. After May 5, 2022, to what extent will the Hague System affect the number of design applications applied by China abroad? It is really curious, and we can look forward to it together.

Of course, the benefits offered by the Hague System are twofold and two-way.

The Hague System not only benefits Chinese applicants, but also provides a direct way



for foreign applicants to submit international applications for design and seek protection in China, so there is no need to submit Chinese national applications separately. According to the statistics of the WIPO, in 2020, although the design applications submitted by foreign applicants in China accounted for only 2.34% of the total share, there were still 18,023 design applications in total. If a considerable part of design applications from abroad are submitted through the Hague System, it is also a new challenge for

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Chinese agents. On the one hand, the legal service fee and translation fee that can be charged will be reduced compared with the previous domestic application of acting as an agent for design; On the other hand, Chinese agents are required to provide more professional and valuable services in the smooth acquisition and protection of design rights.

Finally, in order to ensure that the international procedural mechanisms of the Hague System can meet domestic requirements, the parties to the Hague System can make some specific declarations. China is no exception and has made specific statements in six aspects. This includes not only more generally applicable declarations such as the application of separate designation fees and the extension of the rejection period to 12 months, but also specific declarations made by only a few Contracting States so far, such as a brief description of the characteristics of the design and the provision of some

specific views of the products that will use the industrial design.

It is expected that the CNIPA will continue to revise the detailed rules for the implementation of the patent law and the guidelines for patent examination, so as to continuously improve the rules for the examination of designs applied through the Hague Agreement. There is no doubt that all these deserve the keen and continuous attention of the applicants and relevant practitioners.

# On China's accession to the Hague System for the International Registration of Industrial Designs

By Xiaojun Guo

# 1. The Hague System

The Hague System for filing an international design application, like many other similar systems (the PCT system for patent or the Madrid system for trademark) managed by WIPO, provides a convenient way to get design protection in multiple jurisdictions through one single design application with the International Bureau, the power of which extends to the formality and procedural matters of the

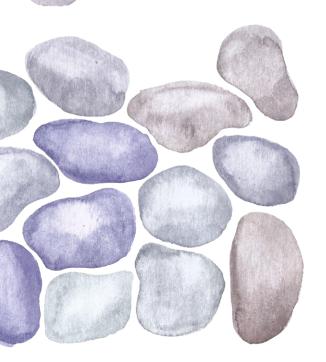
design application. The Hague System is therefore conductive to harmonization of the design regime, particularly the formality requirements on design application.

However, the contracting parties maintain their sovereignty over the substantive aspects of an international design application and decide whether an international design registration can be granted a design right in their jurisdictions or whether it is essentially valid once



a third party challenges the validity of the design after its granting. There is a clear line between the responsibility of the International Bureau of WIPO and that of the contracting parties over an international design application. When we talk about the Hague System, we shall never leave all these basic arrangements behind.

I had seen WIPO's officials



touring in China, introducing and promoting the Hague System to China over 10 years. China's accession to the Hague System is a result of two-way effort and had been waited for years. Even years before China's accession, WIPO had seen a steep increase of international design applications from China, which ranked in ninth position in 2020.

# 2. China's design patent system

Design is one of the three types of subject matters afforded protection by China's Patent Law, which was enacted in 1984, almost 200 years later than the first U.S. Patent Law (1790) and the first French Patent Law (1791). This however doesn't mean that China's patent law is 200 years behind. China's patent system was not created out of thin air, but has borrowed from the proven practices of many other

countries. As far as China's design system is concerned, the predecessor of the CNIPA learned a lot from Japan. That may explain why China generally requires six-view drawings or photos for a design application. Of course, based on distinctive legal system and culture, China's design system has its own characteristics, which are gradually developed with increasingly close communication and cooperation with other jurisdictions. The litigation of design, however, initially learned a lot from Germany, and later from the U.S.

Examination of design applications generally goes in two divergent routes, the substantive or half substantive examination route and the formality examination route.

Needless to say, both routes have their pros and cons.

China takes essentially the half substantive examination

route, which doesn't examine the novelty and obviousness of a design but examines whether a design is definite and sufficiently disclosed. An example of the formality examination route is the Community design system. The EUIPO registers a design application with no substantive examination in a short time. However, many flawed designs, even without considering novelty and obviousness thereof, are registered, leaving a significant uncertainty to the public and the applicant.

The economy of China is growing very fast, so does the patent system including the design system. The government has taken innovation as the driving force for the country's development and has paid unprecedented attention to IP protection, to stimulate and guarantee the transition from a manufacturing country to a

creative country.

# China's accession to the Hague System

The Hague System harmonizes all procedural and formality aspects of a design application, though it has to leave the sovereignty to the contracting parties in defining the substantive aspects of the design. This is welcome to the public and the applicants if they want to remove any defects in their applications and obtain steady rights. The U.S., Japan, Korea and now China all make certain degree of substantive examination before granting right to a design application whether it is filed directly or through the Hague System. Even those jurisdictions carrying on formality examination only examine whether a design violates the morality and public order.



China traditionally required submitting of drawings or photos comprising six orthographical views and one or more perspective views. This practice conforms to the protection of a design for an entire product. But it has been abandoned for more than ten years, though sufficient views are still needed for disclosing the claimed design definitely and sufficiently. For example, one view for a three-dimensional product can never be acceptable. Instead, the combination of one orthographical view

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plus one perspective view is normally acceptable, which are sufficient to convince a reasonable person to believe that the claimed design is three dimensional. Whatever, a professional in the design area may have already found that China is not so stringent in this regard as the USPTO, which doesn't have a minimum view requirement but still frequently rejects design applications on the ground of definiteness and/ or enablement by looking at the figures rigidly instead of from a reasonable person in the art. With the introduction of so

called "partial design" defining an inseparable portion of an entire product, it is expected that the CNIPA will further steer its view requirements, such as allowing broken lines and even shading lines, to adapt to the change and China's accession to the Hague System.

There is concern that China's accession might substantially increase the workload of the Hague System, resulting in backlog of the International Bureau. At least to the officials of WIPO, they have already expected an increase of design

applications from China, from their advocation in China and their work with the CNIPA directly or through the platform of the ID5, or from the data of the international design applications filed by Chinese applicants and the data of the Chinese design applications before the CNIPA, not to mention that China's accession provides an additional choice for applicants from both China and abroad.

Technically, the examination on the formalities of international design applications are not time-consuming. It seems that the workload before registration of the design applications with the International Bureau will not proportionally increased with the increase of design applications, especially with the aid of the WIPO's e-filing system. Besides, it is anticipated a gradual increase

of international design applications from China.

Some multinational Chinese enterprises might have already used the Hague System or followed the development of the Hague System and its practice, most Chinese enterprises still need some time to get familiar with the operation of the Hague System and file more international design applications.

The CNIPA should have well prepared for handling international design applications designating China. It seems that they will make some basic examination before transmitting the international design applications to the International Bureau if the design applications are filed through it. The CNIPA should have already demonstrated its ability to handle all these matters, noting that they handle a great number of design applications each year.

The increase of international design applications designating the national IP Offices will only bypass the design applications filed directly with the IP Offices, and will not additionally increase the total numbers, because a sophisticated filer is not a bargain hunter in a supermarket. This implies that the workload on the respective IP Offices will not be increased.

and efficiency as a centralized platform. As one of the many contracting parties, China's accession means that applicants must make more thoughtful considerations when developing their application strategies world widely. Whatever, it shall be applauded because the applicants now have another filing option to obtain design protection in China or in other jurisdictions.

### 4. Conclusion

Although design applications filed through the Hague System are growing fast, a number of applicants still prefer to file design applications in different jurisdictions separately.

Whether or not to take the Hague System is completely on the applicants' side. WIPO has worked very hard to improve the Hague system and invites more jurisdictions to access so as to amplify its effectiveness



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# What is the best evidence that meets the latest review standard of non-use cancellation

By Cuicui Liang



ifferent from many other countries, evidence of use is not required when trademark application is filed, and the registrant is not obliged to submit any evidence of use either after registration in China. Hence, some registered trademarks are not put

into use at all. To make up for the shortcomings of the trademark system, the procedure of nonuse cancellation is set.

According to Article 49 of the China Trademark Law, if a registered trademark is not used for three consecutive years without justifiable reasons, anyone may apply for

cancellation of the registered trademark. So the application for non-use cancellation is an easy means to check whether the registered trademark has been used.

In recent years, the number of non-use cancellation cases is greatly increasing. There



are several reasons. The most important reason is that the trademark resource is very limited now. According to the statistics published in the first quarter of 2022 by the China National Intellectual Property Administration (the CNIPA), the number of valid registrations has been up to 37,250,480. So

it is very difficult to get a new trademark registration without encountering any obstacle. Nonuse cancelation is a preferable option to remove the obstacle. Besides, the CNIPA is changing its attitude regarding the letter of consent in recent months, and reluctant to accept the letter of consent. This change leaves

less options for the applicant to remove the obstacles.
What's more, many registered trademarks are not put into use.
So the non-use cancellation is a good way to clear the unused registrations.

For the trademark registrants, it is crucial to understand the latest review practice regarding the evidence of use in the non-use cancellation cases to safeguard trademark registration, in order to avoid being "mistakenly" canceled.

The complete cancellation process may go through examination by four institutions, namely the Examination Division of the CNIPA, the Review Division of the CNIPA, Beijing IP court, Beijing High court. Recently, it appears that the four institutions are becoming stricter about the evidence of use. There is obvious change of criteria especially at the Examination Division.

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In the past, the Examination
Division and the Review
Division have different
examination criteria and
procedure in the following
aspects:

- 1. The Review Division require the evidence shall form a chain to prove the trademark has been truly, commercially used, while the Examination Division may not. The Examination Division will not cancel the registration easily as long as they think the registrant has the possibility of using the trademark even if the evidence has some flaws.
- 2. The Review Division just maintain the registration on the used goods and similar goods, while the Examination Division maintain all the registered goods even if the evidence only shows the use of some goods.

3. The Review Division will forward the evidence to the applicant and the applicant has a chance to question the evidence. The Examination Division will make a decision directly without giving the applicant any chance to check and question the evidence.

According to our experience, this chance is very important to the applicant, which may influence the final result.

Based on the above, it is common that the Examination Division and Review Division make different decisions. So it is important to go to review if the trademark to be cancelled is a serious obstacle.

However, according to recent decisions, we found the CNIPA is changing its practice in the non-use cancellation procedures.

Instead of simply stating

the submitted evidences are sufficient to prove the effective use of the trademark registration, the Examination Division gives a list of submitted evidence now. Besides, same with the Review Division, it just maintains the registration of the used goods and similar goods. Hence, it is important to pay more attention to collection of evidence. It is also suggested to submit evidence of use on at least one item from each subclass at this stage.

The Review Division is also becoming stricter than before. In some cases, the registrant submitted commercial contracts and invoices, but the Review Division rejected to accept them just because the invoices do not bear the registered trademark or the registered goods shown on the invoices are not consistent with the description of the registered one. To safeguard the trademark registration, it is

important for the registrant to keep good record of proper evidence. We would like to give some suggestions for two different types of business.

In the first type of business, the goods are imported to and then sold in the Chinese Mainland.

In such international business, the registrant shall keep commercial documents such as commercial contracts, purchase orders, invoices, bills of lading, customs declarations etc. Commercial contracts. purchase orders and invoices may be deemed as selfmade evidence, so it is recommended to keep the original emails attaching the commercial documents. If the CNIPA deems they are self-made, the registrant can notarize the emails with the attachments to enhance the probative force

of the evidence. Regarding bills of lading and customs declarations, they are considered as objective evidence, which has strong evidencing power. Please do place the registered trademark and goods on those documents.

What's more, we suggest the registrant requesting the distributor or Chinese partner to put the trademark and exact description of goods on commercial documents, especially VAT invoices. The registrant may ask for ten sets each year for possible use, in case the distributor or partner cannot provide them for urgent use.

In the second type of business, the goods are only manufactured in the Chinese Mainland and then exported abroad. They will not be sold in Chinese mainland. This business is usually referred to as "OEM".

Some registrants may worry that such use may not constitute effective use. According to Beijing High People's Court Guidelines for the Trial of Trademark Right Granting and Verification Cases, if the goods using the trademark in dispute are directly exported without being circulated in China, and the registrant of the trademark in dispute claims to maintain the registration of such trademark, this claim may be supported. This principle is also confirmed in the Guidelines of Trademark Examination published by the CNIPA. Thus there is nothing to worry about. The registrants just need to keep good record of the evidence.

Since OEM products are not sold in Chinese mainland, there will be no VAT invoice which is considered important and powerful evidence. What's more, most



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of the commercial documents are just copies, which have weak evidencing power compared with originals and VAT invoices. Hence, it is strongly recommended to keep good record of the original communications regarding the business. The commercial documents shall better be sent out through the official emails of the firms. As we mentioned in the above, bills of lading and customs declarations are objective evidence. They are powerful evidence if the product names and trademark are both shown on the documents. If the products are not listed on the documents, the product codes corresponding

to the product brochures shall be placed on. In a word, without onspot investigation, the evidence shall be sufficient to tell the examiner the registered trademark is indeed used on the registered goods in the past three years.

In such business, the registrant usually issues an authorization letter or manufacturing agreement to the manufacturer. It is highly recommended to include the authorized trademark numbers and authorization scope to avoid future disputes.

Though it may be troublesome, we strongly recommend linking

one set of commercial documents with a code or reference number. In this way, they can confirm each other even if some have flaws.

In summary, the evidence shall be sufficient to prove the registrant or the licensee has used the mark identical with the registered trademark on the products identical with or covered by the registered goods in the stipulated period.

With the good record of evidence, non-use cancellation is no more a problem!

# Elusive but effective: merchandising rights in fighting back against trademark squatting in China

By Yanglin Zhang

In a recent landmark decision, the Supreme People's Court of the PRC ("SPC") held that a unique term created in a fictional work is capable of being protected as a prior right to invalidate the same later trademark registration, so long as it meets certain requirements.

The case involved a long

running trademark invalidation dispute between two parties since 2015. Shanghai You Qi Limited, the trademark registrant, sought a registration for the term "Kui Hua Bao Dian" in standard Chinese characters as a mark for services, among other things, "game services provided on-line from a computer network".

The thing is that "Kui Hua Bao Dian" is not any random term, but the title of a martial art guidebook made up by Louise Cha in one of his famous wuxia novels. Louise Cha, more famously known as JIN Yong, is one of the most influential wuxia novelists in modern China, whose wuxia novel Xiao Ao Jiang Hu has quite a wide readership across all Chinese-

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speaking areas and has been adapted into seven versions of television series and four versions of films. In that novel, the swordsman who acquires the ultimate kung fu from the guidebook "Kui Hua Bao Dian" can be unstoppable and reign supreme over the fictional world, so this mysterious guidebook leaves a lasting impression on the reader and audience. It's no

exaggeration to say that "Kui Hua Bao Dian" is also a household word in China.

JIN Yong had authorized Perfect World Limited to adapt its novel Xiao Ao Jiang Hu for online video games, which makes Perfect World Limited a legally related party who has the right to prevent third party from commercially using the novel and its essential elements to develop video games.

Since Shanghai You Qi Limited and Perfect World Limited both are video game developers and publishers, the latter initiated an invalidation action against the former's ill-registered trademark "Kui Hua Bao Dian", asserting that the registration infringed upon its prior right under Article 31 of the Chinese Trademark Law of 2001.

Article 31 provides that registration of a trademark must not prejudice the existing prior

rights of others. However, the trademark law remains silent as to the content or scope of the prior rights. It is undisputed that the said prior rights normally include copyright, patent right, tradename right and right of name. The SPC moved further in its Judicial Interpretation in 2017 that the title of a work and the name of a fictional character with high reputation can also be protected as "prior interests" to enjoin the same or similar trademark from registration. But the situation is a little bit different here. "Kui Hua Bao Dian" is a unique and famous element in the novel Xiao Ao Jiang Hu. Can it also be equally protected as the title of the novel or the name of a fictional character in the novel?

The then Trademark Review and Adjudication Board ("TRAB") and the now China National Intellectual Property Administration ("CNIPA") supported Perfect World Limited's claim and invalidated

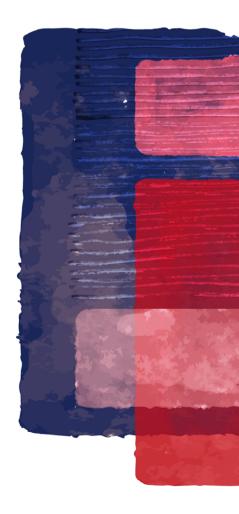
the registration, mainly on the ground that "Kui Hua Bao Dian" could be the protectable object of merchandising rights, and that the merchandising rights should be read into the "prior right" clause of trademark law. Dissatisfied with this decision, Shanghai You Qi Limited brought the case to the court.

The Beijing Intellectual Property Court ("BIPC") and Beijing Higher People's Court ("BHPC") both treaded cautiously in addressing the issue of merchandising rights and successively sided with Shanghai You Qi Limited. Recognizing the high fame of the term "Kui Hua Bao Dian", the BIPC turned to find that the association between the term and its creator had been cut off, since the evidence in the record could show the meaning of the term has been gradually evolved into "high-end strategy for achieving certain goal". Thus, for the sake of public

freedom of expression, the term should not be protected.

The BHPC held that in the absence of explicit statutory language in Chinese Civil Code, Copyright Law and SPC's Judicial Interpretation in 2017, "Kui Hua Bao Dian", as a madeup book name in the novel Xiao Ao Jiang Hu, as opposed to the title of the novel itself or characters' names in that novel, could not be protected in the form of merchandising rights. The Court then vacated the decision of the TRAB and remanded the case for further proceedings consistent with its opinion.

The TRAB and Perfect World Limited both stuck to their initial assertion that the famous "Kui Hua Bao Dian" is definitely eligible for protection and thus brought the case to the Supreme People's Court for retrial. In its potentially significant decision, the SPC extracted from Article 22.2 of its Judicial Interpretation in 2017 three factors in determining merchandising rights protection under Article 31 of



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the trademark law.

Article 22.2 sets forth that for works within the term of copyright protection, if the



copyright holder claims prior rights and interests based on the title of the work, the name of the character, and the like, the People's Court shall support such claim when the title of the work, the name of the character. and the like in the work are highly known to the public and the use of them as a trademark on the relevant goods is likely to cause the relevant public to mistakenly believe that the mark has been authorized by the copyright holder or has a specific connection with the copyright holder.

Following this article, the SPC stated that to find out whether the title of the work, the name of the character, and the like are protectable as "prior rights and interests", three factors should be considered:

- 1. The work in question is within the term of copyright protection;
- 2. The title of the work, the name of the character, and the like enjoy

high fame;

 It is likely to cause public confusion when the title of the work, the name of the character, and the like are unauthorizedly used as trademark on related goods.

Applying this three-factor test, the SPC affirmed the term "Kui Hua Bao Dian" should be protected, finding it meets all the three requirements.

First, as a matter of fact, the novel Xiao Ao Jiang Hu from which the term "Kui Hua Bao Dian" is derived was created in 1969 and is still within the term of copyright protection.

Second, there is no dispute as to the high fame and reputation of the term "Kui Hua Bao Dian" prior to the filing date of the same trademark. As to the connection between the term and its creator, Shanghai You Qi Limited failed to show by a preponderance of the evidence

that the term is perceived by the public as generic. In fact, the claimed meaning of "highend strategy for achieving certain goal" is mainly derived from the nature of the term as a superior martial art guidebook. Also, the newly submitted market survey report shows that there is still a strong connection between the term and the writer and his novel among public awareness. Thus, the SPC confirmed that the BIPC and the BHPC both erred in finding the stable connection had been cut off.

Third, as an established business practice, one of the typical spin-off merchandises from a successful wuxia novel is a video game. The writer JIN Yong had authorized Perfect World Limited to adapt its wuxia novel *Xiao Ao Jiang Hu* to video games early in 2008. The contested mark "Kui Hua Bao Dian" is designated for services "game services provided on-

line from a computer network; entertainment services; etc.", which fall within the generally recognized scope of spin-off service of wuxia novels. The SPC particularly noted that Shanghai You Qi Limited also registered several marks "Xiao Ao Jiang Hu" for game services, which could serve as secondary evidence showing the registrant has intention of taking advantage of the profitable novel Xiao Ao Jiang Hu. The SPC thus found that the use of "Kui Hua Bao Dian" as a trademark for the designated services would make the relevant public mistakenly believe the services provided under the mark were somehow connected with the famous novelist and his novel Xiao Ao Jiang Hu.

In view of the foregoing, the SPC sustained the TRAB's decision. As a response, the SPC clarifies that a conclusion cannot be drawn that the merchandising rights will not

be protected simply because there is no conception of merchandising rights in all existing Chinese laws.

This case suggests that the merchandising rights, though quite elusive in definition, can be an effective claim as "prior interests" in fighting back against malicious trademark registration. The title of a work, the name of the character, and other unique elements in a fictional work are not subject to copyright protection, but the merchandising rights opens the door for the right holder to obtain limited protection, provided that these elements pass the three-factor test.



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# Trademark hijackers assumed legal responsibility of unfair competition and ordered to pay damages

By Ling Zhao



merson Electric
Co. (the plaintiff),
owner of the brand
"InkSinkErator"
and "爱适易" (AI SHI YI)
in Chinese for food waste
processers (see below), sued
trademark hijackers for unfair

competition, based upon the facts that the accused infringers had tried to register its four trademarks as well as a number of trademarks being copies or imitations of other famous brands.



This is first precedent, wherein the trademark hijackers didn't put the trademarks into use, nor did them file

malicious complaint based upon the hijacked trademark registration, that the Court find the defendants (hijackers) guilty of unfair competition acts, in violation of Article 2 of the Anti-unfair Competition Law of PRC, for filing trademarks being copies or imitations of the plaintiff's trademarks in bad faith. Before this precedent, it has never been ruled by Court that such acts of trademark hijackings constitute the acts of unfair competition.

The second-instance judgement was made by Fujian Province
High People's Court on
September 27, 2021, and
it is final. According to the
judgement, the plaintiff's
"InSinkErator" food waste
processors have been known to
the public, and this brand is also
used on water purification hot
drink system. The defendants
have been involved in the
production and sales of water
purification devices, which

are relevant to the products of the plaintiff, and it is proper to confirm that the parties involved are competitors in the same industry of environment-friendly kitchen and bathroom equipment. The defendants have registered in multiple classes for the identical or similar "InkSinkErator" and "爱适易" (AI SHI YI) trademarks, including the following ones:





(trademarks registered by the defendants)

Apart from the above hijacked trademarks, the defendants have also filed many trademarks being copies or imitations of

others' trademarks, such as DOW in Chinese, Alikes in Chinese and English, Daimler in Chinese, Daimler Chrysler in Chinese, InFocus in English and Chinese, Grundfos in Chinese, iPhone, Unilever in Chinese, Electrolux in Chinese, Morgan Stanley in Chinese, etc. from 2011 till 2019.

The Court find that the defendants didn't submit any evidence showing the use of the hijacked trademarks or explain its intension to register the marks in various classes, and how these trademarks were design. Such acts of trademark filings have obviously exceeded the normal needs for commercial activities. The plaintiff had to take legal actions, including opposition, invalidation action and litigation to protect its legitimate rights. To some extent, the normal business activities of the plaintiff have been disturbed by the acts of the defendants, which are against the good faith principle and also damage the market

order of fair competition and harm the rightful interests of the plaintiff. So the Court find the acts of the defendant in violation of Anti-Unfair Competition Law of PRC, and the defendants should be ordered to stop infringement and pay damages.

It is also found that the trademark agency representing the trademark hijackers in this case should also bear legal responsibility for helping the trademark hijackings.

damages in total to the plaintiff for its losses and reasonable expenses for stopping

infringement.

This is an important landmark case due to the following reasons:

- This case clarifies that the acts of trademark hijackings alone constitute the unfair competition.
- \* The defendant is prohibited to register identical or similar trademarks. The damages are determined according to the lawyers' fees incurred by the plaintiff for legal proceedings

- to fight against the trademark hijackings.
- \* This case clarifies the legal liability of the actual controller of the infringing company and the trademark agency for their contribution to the trademark hijacking for the first time and finds that the actual controller constitutes joint infringement, and the agency constitutes helping infringement, which is also a breakthrough in the assumption of responsibility.



# Zero tolerance for bad faith trademarks by Chinese authorities

By Ling Zhao, Qin Li



rticle 4 of China
Trademark
Law regulates
that bad faith
trademarks without intent
to use should be rejected for
registration. How to interpret
this article and what factors
to be considered in order
to determine if a trademark
application is filed in bad faith
or not? What should we know

about bad faith trademarks in China?

# Bad faith trademarks without intent to use

Article 4 of China Trademark
Law aims to curb bad faith
filings presented in the
manner of "without intent to
use". On November 22, 2021,
the China National Intellectual

Property Administration
(CNIPA) released a new edition
of Guidelines on Trademark
Examination and Review
(hereafter referred to as
"the Guidelines"), which are
effective as of January 1, 2022.

The Guidelines define the term "without intent to use" as referring to situations that the applicant does not have

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genuine intention of use, or does not have any plan of using the mark, or there is no possibility that the applicant may use the mark based on reasonable inference. Bad faith trademarks may be words and signs related to national or regional activities and projects, major natural disasters and emergencies that damage social and public interests, major events and

exhibitions, names of famous people, places, works or other public resources, industrial general terms, and trademarks or other commercial signs of others with high reputation or distinctiveness.

The following factors are to be considered to determine if a trademark is a bad faith one, namely the applicant's industrial features, business scope and qualifications; the overall situation such as the number, classes and time duration of trademarks as filed by the applicant; the composing elements of the filed trademarks; whether the marks are used, and whether the applicant has previously registered a trademark in bad faith, etc.

But the Guidelines specifically exclude the following two situations in the application of Article 4:

- The applicant files trademarks

- identical with or similar to its major mark in different classes for the defensive purpose;
- The applicant files moderate number of marks for its future business.

# Special fight against bad faith filings

In March 2021, a special fight to crack down on bad faith trademarks was kicked off by the CNIPA. The special fight against bad faith trademarks was carried out through the whole examination procedure from examination on new applications to oppositions and invalidations, and also with a combination of the administrative penalty measures, to form a joint force to crack down on malicious squatting of trademarks.

There are two types of bad faith trademarks, i.e. malicious application of trademark and malicious hoarding of trademarks. The former refers

to copying or imitating famous trademarks, taking free-ride of others' reputation, which shall damage others' prior rights, while the later refers to the situation, wherein the amount of filing is large, without real intent to use, disrupting the administration order of trademark application.

### In 2021:

- a total of 482,000 trademark applications, with the feature of warehousing, were cracked down.
- 1628 trademark applications, with the feature of 'bad faith filings', which shall damage the public interest, were refused for registration.
- 1729 bad faith registrations were declared as invalid as an ex officio action, which was 5 times as the total number in the past 10 years.
- 30,000 opposed marks, which were recognized as bad faith filings, were refused during the opposition procedure.

# Notice to continue to severely crack down on bad faith trademarks

On April 12, 2022, China National Intellectual Property Administration (CNIPA) issued the "Notice of the CNIPA on Continuing to Severely Crack Down on Malicious Applications of Trademarks" (the "Notice"), requiring to continue to crack down on bad faith trademark squatting with a "zero tolerance" attitude and "focus more on the concerns of the people and public opinion". This follows earlier crackdowns such as the cancellation of maliciously registered Olympicrelated trademarks ex officio in February.

Article 4 of the amended China Trademark Law aims to curb bad faith filings presented in the manner of "without intent to use". The Guidelines define the term "without intent to use" as referring to situations that the applicant does not have genuine intention of use, or does not have any plan of using the mark, or there is no possibility that the applicant may use the mark based on reasonable inference. Per the Notice, the CNIPA states it will focus on cracking down on 10 typical illegal acts that violate the principle of good faith, violate public order and good customs, seek illegitimate interests, and disrupt the order of trademark registration, including especially the following:

- \* Malicious squatting on the same or similar signs as national strategies, national policies, major projects, major scientific and technological projects, important events with high popularity, important exhibitions, major archaeological discoveries, etc.;
- Malicious squatting on specific words related to major sensitive events or emergencies such as major public health events;
- \* Malicious squatting on the

names of political, economic, cultural, ethnic, religious and other public figures with high reputation;

\* Where the number of trademark registration applications obviously exceeds the needs of normal



- \* Copying, imitating, or plagiarizing a large number of trademarks or other commercial signs with a certain reputation or strong distinctiveness of multiple subjects;
- \* Applying a large number of trademarks which are the same or similar signs as public cultural resources, administrative division names, common names of goods or services, industry terms, etc.;
- \* Transferring a large number of trademarks and the assignees are relatively scattered, disrupting the order of trademark registration.

The Notice stresses that the CNIPA will continue to promote the revision of the trademark law and its implementation regulations, and constantly enrich the legal weapons and policy tools to combat bad faith

trademark squatting. It will improve the key monitoring list of trademark malicious applicants. Where the entities in the key monitoring list apply for trademark registrations, they shall be strictly examined and strengthened the burden of proof for actual use according to law. It will strengthen the management and control of trademarks with significant adverse effects and continue to take measures such as combined case review, rapid rejection, ex officio invalidation of registered trademarks, and announcement exposure. It will restrict the transfer of malicious hoarding trademarks and strengthen the pre-examination of the use of the trademarks to be transferred to make the bad faith applicant unprofitable.



# CNIPA's new guidelines on well-known trademark recognition and protection

By Ling Zhao

n accordance with Art. 13 of
China Trademark Law, where
the holder of a trademark
that is well-known to the
relevant public, considers that his
rights have been infringed, he may,
in accordance with the provisions
of this law, request the protection
of a well-known trademark. Wellknown trademark recognition and
protection in China has always
been a hot topic for trademark

right holders and practitioners, for the enlarged protection scope and enhanced protection level enjoyed by well-known marks.

We can claim for well-known trademark recognition and protection in oppositions and invalidation actions before China National Intellectual Property Administration (hereafter referred to as CNIPA), and administrative

appeals before Beijing Intellectual Property Court, Beijing High Court, and Supreme People's Court. We can also claim for well-known trademark protection in a civil litigation of infringement and unfair competition, with damage claim before local Courts. Local market supervision administrations have the power to recognize well-known trademarks in administrative

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enforcement actions against trademark counterfeit. In some period of time, China Trademark Office had published the wellknown trademarks recognized in administrative proceedings. From 1985 till July 2014, it is said that there had been over 5500 wellknown trademarks recognized in trademark oppositions, reviews and invalidation actions, in accordance with the Provisions on the Recognition and Protection of Well-known Trademarks of the State Administration for Industry and Commerce issued in 2003 and revised in 2014.

On 22 November 2021, the CNIPA released the new Guidelines on Trademark Examination and Review, which have been effective since January 1<sup>st</sup>, 2022. In the Guidelines, there are updated guiding opinions on the recognition and protection of well-known trademarks, which unify the examination criteria of the administrative authorities with judicial interpretations, making the rules for well-known protection more consistent and transparent.

# The on-demand recognition

The on-demand recognition is one

of the basic principles for well-known claim.

If other provisions of the trademark law can be applied to protect the party's trademark based upon the evidence in file, or the registration and use of the disputed trademark will not cause confusion or mislead the public, resulting in possible damage to the party's interests, there is no need to determine whether the party's

trademark is well-known.

The principle of on-demand recognition of well-known trademarks is also reflected in Articles 2 and 3 of the Interpretation of the Supreme People's Court on Several Issues Concerning the Application of Law in Trial of Civil Disputes Involving the Protection of Well-known Trademarks<sup>1</sup>. After the third amendment of the China Trademark Law, Article 14 was added to emphasize that the Trademark

Office, the Trademark Review and Adjudication Board and the Court can recognize a trademark to be well-known according to the needs of handling the case.

For example, in the invalidation appeal against the disputed trademark No. 13985105 " " in Class 7<sup>2</sup>, Beijing Intellectual Property Court held that the evidence is sufficient to prove that the cited marks GRUNDFOS and "格兰富" (Gelanfu) have high reputation in respect of the goods pumps. But as the good of the disputed one are identical with or similar to those of the cited marks, the registration of disputed mark is declared invalid in accordance Art. 30 of China Trademark Law, based upon similarity and likelihood of confusion. As such, there is no need to recognize the well-known trademark status of the cited marks in accordance with Art. 13 of the Law in the present case, for the legal rights and interests of the owner of the cited marks are already sufficiently protected per

Art. 30.

# The good faith principle

The party requesting the protection of wellknown trademarks shall be responsible for the authenticity, accuracy and integrity of the facts and the evidence submitted. If the party is listed in the list of abnormal operations, the list of serious violations and dishonesty, the list of joint punishment objects for dishonesty in the National

- 1 Article 2: In the following civil disputes, the parties shall take the well-known trademark as the factual basis, and the people's court shall, according to the specific circumstances of the case, determine whether the trademark concerned is well-known or not if it deems it necessary: (1) A lawsuit for infringement of the trademark right brought on the ground of violation of Article 13 of the trademark law; (2) A lawsuit for infringement of trademark rights or unfair competition brought on the ground that the name of an enterprise is the same or similar to its well-known trademark; (3) A lawsuit for defense or counterclaim in accordance with Article 6 of this interpretation. Article 3: In the following civil disputes, the people's court shall not examine whether the trademark concerned is well-known: (1) The establishment of the sued infringement of trademark rights or unfair competition is not based on the fact that the trademark is well-known; (2) The defendant's infringement of trademark rights or unfair competition is not tenable due to the absence of other elements prescribed by law. If the plaintiff uses the same or similar domain name registered or used by the defendant and its registered trademark and conducts e-commerce of relevant commodity transactions through the domain name, which is enough to cause the relevant public to mistakenly believe that the cause of the infringement lawsuit is, it shall be handled in accordance with the provisions of item (1) of the preceding paragraph.
- 2 (2019) Jing 73 Xing Chu No. 535 Administrative Judgement by Beijing Intellectual Property Court

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Enterprise Credit Information
Publicity System<sup>3</sup> and the "Credit
China<sup>4</sup>" website, and if the party
has experienced equity freezing,
arrears, criminal offense, etc. in
the past three years, the CNIPA will
not accept its claim to determine
whether its trademark is wellknown.

In practice, the party requesting for well-known trademark protection in an opposition or invalidation action is now required by the CNIPA to submit a commitment letter, while filing the opposition or the invalidation to promise that the submitted information and evidencing materials are authenticate, accurate and complete, without any fraud of forging, altering, and concealing evidence or instigating, bribing and coercing others to commit perjury. It is also stated in the commitment letter that there is no dishonesty such as malicious collusion with the other party or defrauding the protection of well-known trademark by improper means.

# The evidence to prove the well-known status

The Guidelines provide a list of the relevant evidence of well-known trademark status. including 13 specific kinds. In addition to sales contracts. invoices, bills of lading, bank bills of entry and import and export credentials, the use evidence formed by non-traditional business methods, such as online e-commerce sales records are also accepted as evidence of trademark use. As for the media advertisements, reports, ranking and other publicity materials, those made via non-traditional media will also be accepted, like advertisements on WeChat. Evidence formed outside China can also be accepted, if such evidence can prove that the trademark in question is known to the relevant public in China. It

is not required to submit all the 13 kinds of evidence, while the examiners will judge upon the submitted evidence to determine if the trademark in question has become well-known.

In practice, we usually suggest submitting the following evidence to support well-known claim:

- Auditor's annual reports of the Chinese affiliates in proof of the annual sales income for selling the products bearing the trademark in question in China;
- Sales contracts and the corresponding VAT invoices to prove the sales of the products bearing the trademark in question in more than 10 providences in China;
- Statement of ranking or market shares provided by industrial associations or professional magazines;
- Advertisements and media reports
- 3 http://www.gsxt.gov.cn/index.html
- 4 https://www.creditchina.gov.cn/

- about the trademark in Chinese newspapers, magazines, and other media
- Favorable administrative
  decisions of oppositions and
  invalidation actions, wherein the
  CNIPA confirm the high reputation
  of the trademark, decisions
  of administrative penalties
  by local market supervision
  administrations, decisions of
  trademark infringements or unfair
  competition by local courts,
  and decisions of trademark
  infringement by the Customs;
- Any awards won for the brand;
- Certificates showing that the technology applied in the goods bearing the trademark has been accepted as national standard or industrial standard;
- Documents showing the attendance of trade fairs or exhibitions, etc.

# Factors to determine confusion or misleading

Apart from sufficient evidence to prove the well-known status of a

trademark, the examiners need to consider if the registration of the disputed mark will cause confusion or misleading to the relevant public, as to be falsely associated to the claimed well-known trademark. Following are the main factors to be considered:

The distinctiveness and reputation of the trademark claimed for well-known recognition is the most important factor. Many of the famous brands are inherently distinctive, like GRUNDFOS, NOVO NORDISK, NOVARTIS, EXXONMOBIL, etc. for they are composed of coined words. Their Chinese equivalents are also highly distinctive, as being the transliterations of the English marks, without any fixed meanings in Chinese language.

One of the preconditions to apply the well-known trademark rule is that the disputed mark is considered copy, imitation, or translation of the well-known trademark. If the opposed mark is not similar at all, there will be no misleading.

The relevance of the goods and the extent of overlapping of relevant public are important aspects to determine of the scope of protection. Can the protection of well-known trademarks like fashion brands used on cosmetics and clothing be extended to non-metal. construction materials, like ceramic bricks? The answer can be yes if the trademark is distinctive and highly reputed. If the goods of the two marks involved are relevant in terms of function, sales channels and consumers, the relevant public could be misled.

How the disputed mark is used can also be an important factor. If the disputed mark was filed in bad faith, for the purpose to mislead the public, and it is used in a misleading way,

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how it is used in the market should certainly be taken into consideration to determine if there is possibility of misleading.

# Repeated recognition of well-known status

Despite that the recognition and protection of well-known trademark abide by the case-by-case rule, successful precedents of recognition will be taken as important evidence in future cases. The Guidelines provide criteria regarding repeated request for well-known trademark recognition, as below:

if the trademark requested for recognition has a record of being protected as well-known mark.

if the well-known trademark holder has submitted evidence to show that the well-known status of the trademark can extend to the present case, while the scope of protection in the present case is basically the

same as the previous one; and

the other party has no objection to the well-known status, or no sufficient evidence to support its objection,

then the well-known protection claim can be granted, based upon the protection record and in combination with the submitted evidence in the present case.

In the retrial of opposition review appeal against the disputed trademark of No. 3974688 "YKK", the Supreme People's Court state that "before the second trial decision of this case was made, the Beijing High Court recognized the YKK trademark as a well-known trademark in two cases of (2012) Gao Xing Zhong Zi No. 1236 and (2013) Gao Xing Zhong Zi No. 482 respectively. The two cases and the present one are similar, and the evidence is basically the same. In view of the principle of consistency

of legal application standards, the court of second instance should have given cross-class protection to the YKK trademark based upon its well-known trademark status. Although it is not an identical case, and it is reasonable to apply the case-by-case rule, opposite judgements shouldn't have been made in similar cases. Otherwise, it will be difficult to guarantee the clarity and predictability of the applicable rules of trademark law."

The Guidelines provide five typical cases of well-known trademark recognition and protection, wherein three cases involve foreign brands, namely SKECHERS, SWAROVSKI and NIKE, which implies that foreign entities and English brands enjoy equal opportunities to get well-known trademark protection in China.

# Trade mark registration in Hong Kong

By Yuncheng Li



n terms of trade mark
registration, Hong Kong is
an independent jurisdiction
from mainland China. Being
one of the world's financial
hubs, with a population of 7.5
million and GDP of 360 billion
US dollars, Hong Kong is a hot
spot for trade mark registration.
CCPIT Patent and Trademark
Law Office started assisting
domestic and international
clients to register trade marks in
Hong Kong since 1998.

Here is a brief introduction on

how to register a trade mark in Hong Kong.

## Authority

An application for registration for a trade mark is filed with the Trade Mark Registry of Hong Kong IP Department, which is one the most efficient IPOs in the world in terms of trade mark examination and registration.

# Formality examination

Official receipt is issued

immediately upon filing of the application on the very same day.

The application is immediately examined for any deficiencies in formal requirements, including description and classification of goods/services. The applicant has two months to remedy all deficiencies raised by the Registry from the issuance of the official notification. No extension is allowed. Failure to file remedy may lead to abandonment of the goods/services at issue or even

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the whole application.

### Substantive examination

Substantive examination usually takes place within 4 months of filing the application. Major grounds of refusal of an application may include:

Absolute grounds for refusal (section 11 of the Trade Marks Ordinance), e.g., 11(1)b merely descriptive to the characteristics of the goods; 11(1)c consisting exclusively a sign which may serve in the trade to designate the characteristics or geographical origin of the goods. Relative grounds for refusal (section 12 of the Trade Marks Ordinance) – identical or similar to earlier trade marks.

Upon issuing the refusal notice, the Registry gives the applicant six months to file a response. In case more time is needed, the applicant may request an extension for three months.

# Publication & registration

Once accepted, the application

will be published for opposition purpose on the official trade mark journal for a period of three months. It is possible for any intended opponent to obtain one extension of 2 months before the end of the opposition period. If there is no opposition, the registration certificate will issue.

# Filing requirement

For filing purposes, full filing details along with an electronic copy of the mark (in case of a non-standard word mark) in JPG format would suffice. Series of trade marks – A unique practice in Hong Kong trade mark registration allows an applicant to include a series of trade marks. that resemble each other in a single application. According to the Trade Marks Ordinance of Hong Kong, series of trade marks means a number of trade marks which resemble each other as to their material particulars and differ only as to matters of a non-distinctive character not substantially affecting the identity of the trade mark. A typical example of a series of trade mark

may include a word mark in both upper case and in lower case, a design mark in various colors, or the same Chinese words in both traditional and simplified characters.

# Priority claim

The Paris Convention for the Protection of Industrial Property has been applied to the Hong Kong by the People's Republic of China. In addition, Hong Kong is a member of the World Trade Organization in its own right, and its intellectual property protection system meets the standards set out in the WTO TRIPS Agreement. Therefore, applicant may claim priority of its identical application in a Paris Convention country or WTO member country within 6 months from the filing date.

To claim priority, applicant may simply provide information as to the filing number, filing date and jurisdiction of the home application. Certified priority document is no longer required unless the Hong Kong Trade Marks Registry specifically requests it.

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<sup>\*</sup> This publication is designed to provide our friends and clients with up-to-date information regarding intellectual property in China. It is not intended to provide legal advice. We welcome your suggestions and comments.