



Revision of PRC Trademark Law in 2019

and its Impact to House Mark Protection in China

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Legal framework for protection to a
House mark in China

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PART

02

Protection under TML





Definition of a House Mark

A "house" mark consists of a mark that is used to indicate that a full line of products comes from the same source. All the products within the line carry the house mark, which informs purchasers and prospective purchasers that the products come from the same "house" or source.

Paris Convention

Article 8 Trade Names

A trade name shall be protected in all the countries of the Union without the obligation of filing or registration, **whether or not it forms part of a trademark.**

Lanham Act of the US

Section 45 - The terms "trade name" and "commercial name" mean any name used by a person to identify his or her business or vocation.

SANDVIK



SONY

ExxonMobil

House mark Protection under PRC Trademark Law



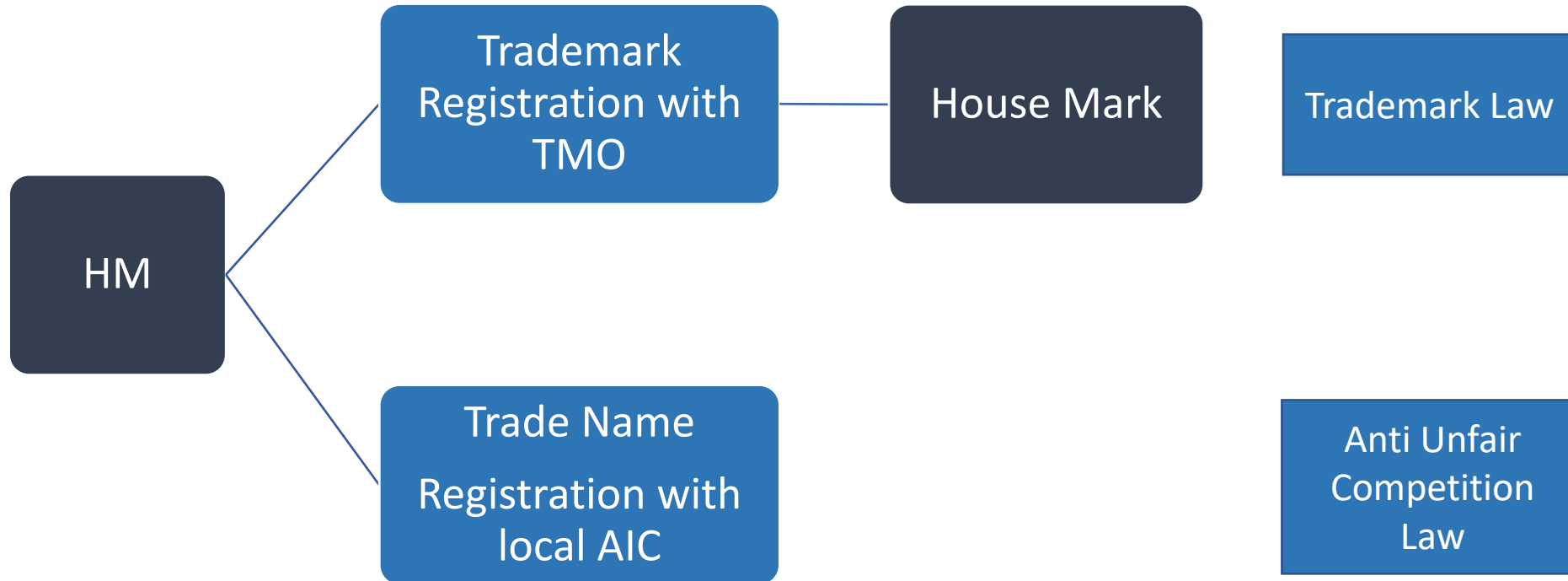
And what's not !

“Pet name”

BRAVIA



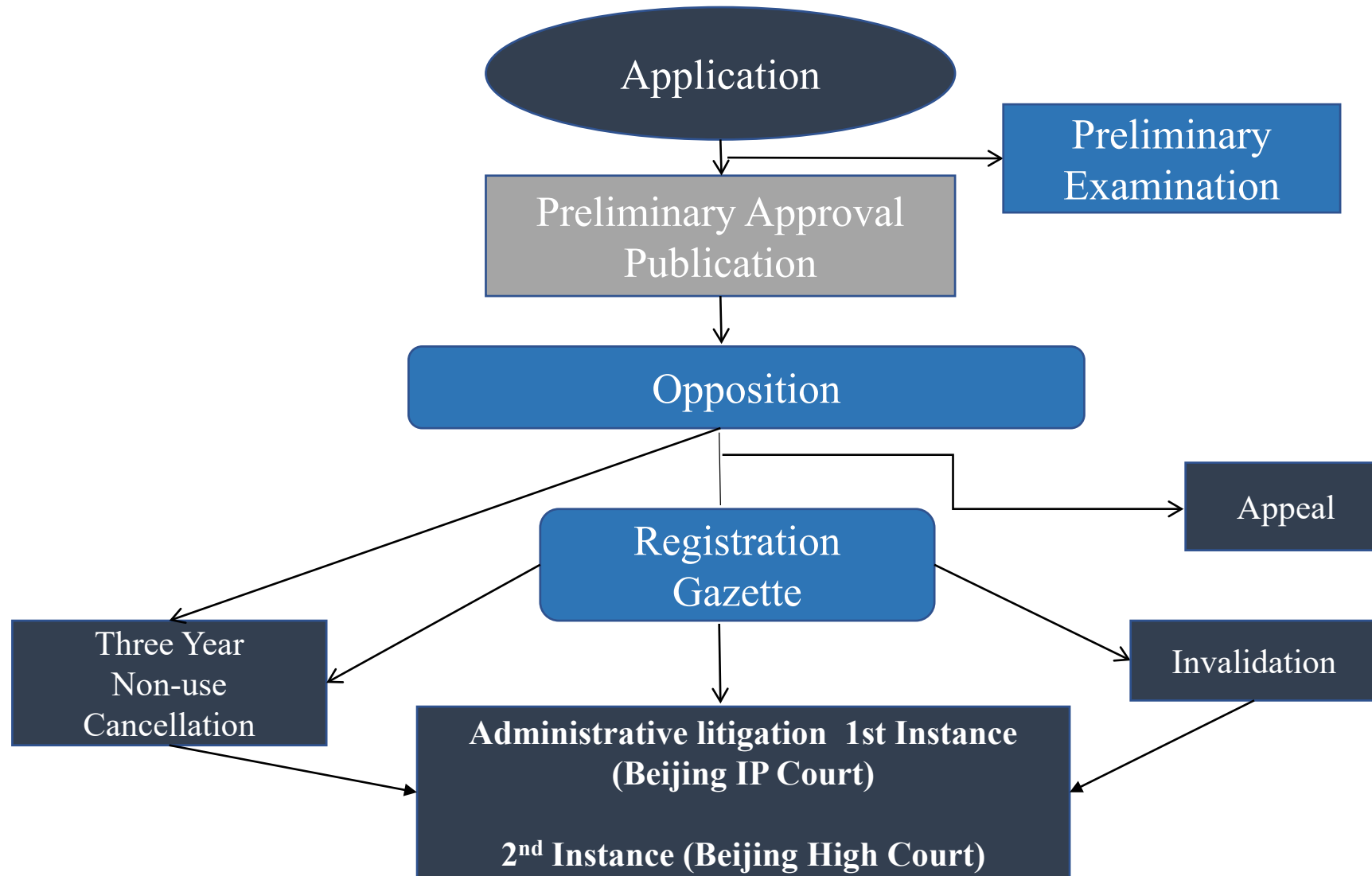
Legal Framework for Protection of House mark in China



Definition



How to register your name as a Trade/House Mark





- Trademark law – exclusive right

Article 57 Any of the following acts shall be deemed as infringement of exclusive rights to use registered trademarks:

(1) use of a trademark identical to a registered trademark on the identical category of goods without licensing by the trademark registrant;



*(2) use of a trademark similar to a registered trademark on the identical category of goods without licensing by the trademark registrant, or use of a trademark identical or similar to the registered trademark on similar goods which **easily causes confusion**;*



(3) sale of commodities which infringe upon exclusive rights to use registered trademarks;.....



PART

03

Protection under AUCL



Legal Framework for Protection of House mark in China



- Anti Unfair Competition Law – competitive relationship

Article 2 Unfair competition referred to in this Law shall mean the behavior of an operator who violates the provisions of this Law in its production and business operation, disrupts market competition order, or harms the legitimate rights and interests of other business operators or consumers.

Article 6 Business operators shall not commit the following acts to mislead others to misidentify their goods as others' goods or to associate their goods with others:

- (2) unauthorized use of other's **influential enterprise name (including abbreviation, trade name etc.)**, social organization name (including abbreviation etc.) and name of individual (including pen name, stage name, translated name etc.).....



Anti Unfair Competition Law – competitive relationship

Registered tradename - Local Market Supervision Administration

Administrative Provisions on Enterprise Name Registration –SMRA (SAIC)

Article 4The registration authorities shall approve or reject applications for enterprise name registration, implement supervision and administration of use of enterprise names, and **protect exclusive rights to use enterprise name.**

Unregistered foreign trade name

Supreme People's Court, Several Issues Concerning the Applicable Laws in the Trial of Unfair Competition Civil Cases Interpretation

Article 6. The name of an enterprise registered with the enterprise registration authorities in accordance with the law **and the name of a foreign (regional) enterprise used for conducting business within the territory of the China shall be deemed as the "enterprise name" as specified in Article 5(3) of the Anti-unfair Competition Law.** Words forming part of an enterprise name that is famous in the market to a certain extent and known to the relevant public may be deemed as the "enterprise name" as specified in Article 5(3) of the Anti-unfair Competition Law.

Legal Framework for Protection of House mark in China



- Copyright law – House mark within logo

Article 48

- Persons who have committed the following infringement acts shall bear civil liability to stop infringement, eliminate impact, apologies, compensate losses, etc. ...



(1) **Reproduction, distribution, performance, screening, broadcasting, compilation or transmission of others' works to the public through information network** without the consent of the copyright holder, unless otherwise stipulated in this Law;





Legal Framework for Protection of House mark in China

Conflict of rights

–Deal with Trademark squatter that infringes upon your prior trade name/copyright

Article 30

Unregistered foreign trade name

PRC Trademark Law (2013)

Article 32

Trademark to be registered which does not comply with the relevant provisions of this Law or the subject matter trademark which is identical or similar to a **trademark registered by others** for the same type of commodities or similar commodities or a trademark preliminarily validated shall be rejected by the trademark bureau and not be gazetted.

Trademark registration applications shall not harm **existing prior rights** of others, use of improper means to forestall registration of a trademark which is in use and has certain impact shall not be allowed □



Rules of the Supreme People's Court on Issues Relating to the Hearing of Administrative Cases Involving Granting or Affirming Trademark Rights (2017)

Article 21 For a trade name of a certain market popularity, if one applies for without permission registration of a trademark identical to or similar with **the trade name**, which is likely to have relevant public confused with the commodity sources, and the party concerned claims constitution of **existing prior right** therefor, the People's Court shall uphold the claim.

If the party concerned claims on the strength of the **abbreviation of company name** that is of certain market popularity and has established a stable corresponding relation with the company, the preceding provision applies.

PART
04

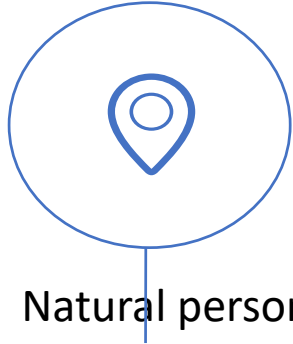
Revision of Trademark Law
in April 2019 and its impact



2019 Revision and its impact on protection of House mark



2019 PRC Trademark Law



Article 4 Natural persons, legal persons or any other organizations that need to obtain exclusive rights to use trademark for their commodities or services in the course of their manufacturing and business activities shall apply to a trademark bureau for trademark registration. Any application for trademark registration that is malicious and is not filed **for the purpose of use** shall be rejected.

Beijing High People's Court Guidelines for the Trial of Trademark Right Granting and Verification Cases (2019.4)

7.1 Application of Article 4 of the Trademark Law If any trademark applicant **obviously lacks the true intention of use** and is under any of the following circumstances, this applicant may be determined to violate the provisions of Article 4 of the Trademark Law:

(3) applying for registration of the trademark identical with or similar to any other **commercial signs** other than trademarks of others, which is regarded as a serious circumstance;

.....

(5) applying for registration of a large number of trademarks without good reasons. If the trademark applicant above claims that he has the true intention of use, but fails to present the relevant evidence, this claim shall not be supported.

...



2019 Revision and its impact on protection of House mark

Article 33 A prior right holder or a stakeholder who holds that a preliminarily validated and gazetted trademark violates the provisions of the second and third paragraphs of Article 13, Article 15, the first paragraph of Article 16, Article 30, 31 or Article 32 of this Law, or any person who held that a preliminarily validated and gazetted trademark violates the provisions of **Article 4, 10, 11, 12 or 19** of this Law may raise an **opposition** to the trademark bureau within three months from the date of gazette. Where no objection is raised during the gazette period, the trademark shall be registered, a trademark registration certificate shall be issued and the registered trademark shall be gazetted.



Article 44 Where a registered trademark violates the provisions of **Article 4**, 10, 11 or 12 of this Law, or the fourth paragraph of Article 19 of this Law, or the registration is obtained by fraudulent means or other improper means, the registered trademark shall be **invalidated** by the trademark bureau; any other organization or individual may request that the trademark review and adjudication board declares the said registered trademark invalid.



L'ORÉAL v. LOIYIR

- L'Oreal registered trademark “L'Oreal” (Chinese translation of L'Oreal)” in class 3
- Shanghai MILENE produced “LOIYIR” skin care products, with the confusing propaganda “Supervised by Hangzhou L'OIYIR Cosmetic Co., Ltd. ()” used on the package
- Hangzhou L'OIYIR promoted “LOIYIR” skin care products on its website
- We filed complaint to Shanghai AIC, which determined trademark infringement and imposed a fine of RMB 400,000 on Shanghai MILENE
- We purchased “LOIYIR” samples with notarization
- We lodged civil litigation against Shanghai MILENE and Hangzhou L'OIYIR and Nantong Intermediate Court ordered the defendants to cease trademark infringement and pay in total the damages of RMB 500,000, the highest compensation limit stipulated by the Trademark Law.

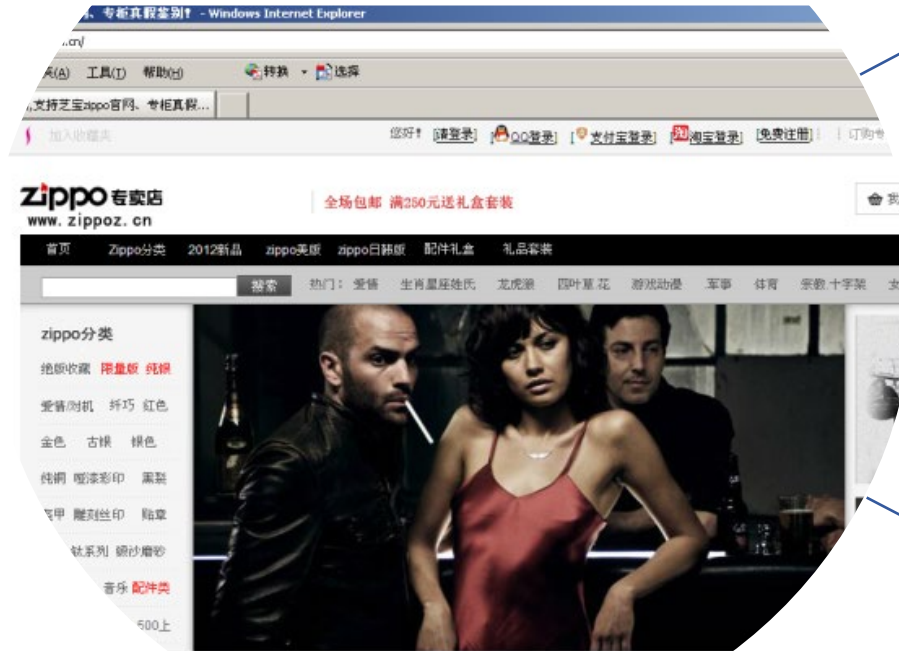


Zippo Manufacturing Company v. www.zippoz.cn



- Infringement

The infringing registration and use domain names zippoz.cn contains the house mark/trade name of Zippo



The prominent use of the house mark/trade name of as trade name on the website

Both domains indicating same website

Zippo Manufacturing Company v. www.zippoz.cn



- Shijiazhuang Intermediate Court Decision 2015.7

Key findings

- Unauthorized use of trademark/house mark “zippo” as a part of the domain name constitutes unfair competition against ZMC
- Unauthorized use of trademark/house mark “zippo” in a prominent position at the website constitutes trademark infringement
- Unauthorized use of copyrighted photograph constitutes copyright infringement against ZMC

Ruling

- Order to cease the infringing use of the trademark house mark of Zippo
- Order to cease the infringing use of photographs
- Compensate the loss of CNY 500K

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Mr. Charles FENG received law degrees from both Duke Law in the US and China Foreign Affairs University. Mr. Feng is an IP Specialist with substantial experience for more than 12 years on intellectual property matters with reputable International law firm and Chinese law firm, Baker & McKenzie LLP □ King & Wood Mallesons focusing on IP litigation, enforcement as well as IP licensing, trademark and patent portfolio management and other non-contentious matters.

- IP Expert – *EU SME Help Desk*
- Consultant – Case Study Center, **Supreme People’s Court of China**
- Managing Director □ *Copyright Society of China*
- Vice Director General □ *China Association of Geographic Indication Industry,*
- Standing Committee Member, *China Intellectual Property Law Association*
- Member of *American Bar Association, China Bar Association and INTA.*
- Ranked as one of **Top 15 IP Lawyers by Asia Law & Business, Thomson Reuters in October 2015**
- Ranked as **recommended Top IP litigator by LegalBand in 2016-2019**
- Ranked as **Top Cyber law Expert by Legalband in 2018 and 2019**

Thank you !

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