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Examination Practice of Bad-faith Trademark Filings

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- What kind of trademark application might be termed as "bad-faith filing"?
- Related provisions in China Trademark Law
- Common types of bad-faith filing and typical cases.



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What kind of trademark application might be termed as "bad-faith filing"?

Act of application for trademark registration that is against the principle of good faith, for the purpose of grabbing or unfairly exploiting the goodwill of another party's trademark(s), infringing another party's prior rights, or encroaching public resources.



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Related provisions in China Trademark Law

- ●Article 7
 - Any application or usage of a trademark shall abide by principles of good faith.
- Article 13 provision related to protection of well-known trademark.
- Article 15(1)
 provision related to the agent or representative of a person who is the owner of a trademark applying in bad faith for the registration of the mark in his own name.
- Article 15(2); Article 32 provisions related to "Unfair Intention".



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Common types of bad-faith filing and typical cases

- Reproducing, imitating, or translating another party 's well-known trademark
- Applying in unfair means for the registration of a trademark that is already in use by another party and has certain influence
- Applying for the registration of a trademark that infringes another party's prior rights
- agent or representative, without the authorization of the principal, seeks to register in the agent's name the principal's trademark



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Reproducing, imitating, or translating another party's well-known trademark

Article 13 of the *Trademark Law*

Paragraph 2: Where a mark is a reproduction, imitation, or translation of a third-party's well-known trademark which has not been registered in China and where the goods are identical or similar, which may cause public confusion and damage the interests of the registrant of the well-known mark, no registration shall be granted and the use of the mark shall be prohibited.

Paragraph 3: Where a mark is a reproduction, imitation, or translation of a third-party's well-known trademark which has been registered in China and where the goods are not identical or dissimilar, which may mislead the public and cause injury to the interests of the registrant of the well-known trademark, no registration shall be granted and the use of the mark shall be prohibited.



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No. 3009244: a device trademark dispute case

• Trademark in dispute :

• The Applicant's trademark:





Goods: Clothing, etc. in Class 25

Applicant for Cancellation: HYX Group Co., Ltd

Respondent: Yu Wenqing

Case Characteristics:

Protection of an unregistered well-known trademark

Grounds: Article 13(2)

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No. 3009244: a device trademark dispute case

Facts acknowledged in this case:

- ●The registration of the mark in dispute was applied for by the respondent Yu Wenqing on Nov. 1st, 2001, which was approved by the Trademark Office on Jan. 21st, 2003 to be used on goods "clothing, etc." in class 25.
- ●the applicant had been using the unregistered "sheep's head" trademark in combination with the "恒源 祥" brand in "Clothing" products before the application date of the trademark in dispute.
- The device trademark had been widely known in the industry and the public because of the applicant's long-time usage , advertising and publicity .

Conclusion: Article 13(2) of the Trademark Law is applied.

Based on the evidence provided by the applicant, the applicant's trademark can be deemed as a well-known trademark, according to the provisions of Article 14, Trademark Law.

Since the trademark in dispute is basically the same with the applicant's well-known trademark, and used on "Clothing, etc." which is identical with or similar to the latter, the co-existence of the two mark may cause consumer confusion.

The registration of the mark in dispute is hereby cancelled.



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No.10218572 "ARROW" Trademark opposition case

- The opposed trademark: No.10218572 "ARROW" trademark on "Water heaters" in Cl.11
 - ARROW

- Grounds of opposition: the opponent requests for recognizing its prior registered "ARROW" trademark in Class 19 as well-known trademark.
 - The opponent's trademark:



Evidence provided by the opponent may prove that its trademark has become well-known among the relevant public in China.

The opposed "ARROW" trademark designates goods in Class 11 such as "Water heaters", and that the mark is same as the opponent's trademark. Thus it constitutes the reproduction and imitation of a well-known trademark. If the opposed trademark were granted protection and used on its designated goods, it is likely to mislead the public, causing damages to the interests of the registrant of the well-known mark.



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Applying in unfair means for the registration of a trademark that is already in use by another party and has certain influence

Article 32 of the *Trademark Law:*

No trademark application shall infringe upon another party's existing prior rights. Nor shall an applicant register in an unfair means a mark that is already in use by another party and has certain influence.

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Requisite conditions for a prior used unregistered trademark to prevent subsequent trademark registration

- 1. the other party's trademark is already in use and has acquired certain influence before the application of the disputed trademark;
- 2. the disputed trademark is identical with or similar to the other party's trademark;
- 3. the designated goods/services of the disputed trademark are identical with or similar to the related goods/services of other party's trademark in principle;
- 4. the applicant of the disputed trademark bears bad faith.

No. 10407365 "EOD" trademark Opposition case

• The opposed trademark:

• The opponent:

Allen-Vanguard Technologies Inc.

EOD

Goods: "Clothing for protection against fire" in class 9.

The opposed party: Beijing LongAnTianChen Technology Co., Ltd.

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No. 10407365 "EOD" trademark Opposition case

Facts acknowledged in this case:

- The opponent has provided sufficient evidence to prove that it had been using the "EOD" trademark on the "Clothing for protection against fire" it produced and had acquired certain influence before the application date of the opposed trademark.
- Both trademarks were using on goods "Clothing for protection against fire".
- The opposed obviously applied for the registration of the trademark in bad faith.

Conclusion: Article 32 of the Trademark Law is applied.

The application for registration of the opposed trademark violates the principle of good faith. If the opposed trademark were registered and used, it will easily mislead the consumers.

The opposed mark shall not be registered.



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Applying for the registration of a trademark that infringes another party's prior rights

Article 32 of the *Trademark Law:*

No trademark application shall infringe upon another party's existing prior rights.



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No. 1623365 "宗庆后(Zong Qinghou)" trademark opposition case

• The opposed trademark:

• The opponent:



Hangzhou Wahaha Group Ltd.

Goods: Beverage and mineral water in class 32.

The opposed party: Wanlu Spirits Co., Ltd. (Wanlu)



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No. 1623365 "宗庆后(Zong Qinghou)" trademark opposition case

The Opponent's arguments: "Zong Qinghou" is the founder and legal representative of Hangzhou Wahaha Group Ltd, who has received numerous national and social recognitions. Mr. Zong Qinghou was elected a representative for the Zhejiang and Hangzhou People's Congresses. From 1993 to 1999, he was awarded numerous honorable titles, including "National Worker Model", "Outstanding Entrepreneur of China's Food Industry", "National Outstanding Entrepreneur "and "Outstanding Contribution Award for China's Beverage Industry". As the "Wahaha" brand became a well-known name and Mr. Zong Qinghou(宗庆后) has been extensively covered by the media, he has become a public figure. The application by Wanlu for registering the disputed "宗庆后(Zong Qinghou)" brand on goods "Beverage and Mineral Water" is a violation of Mr. Zong's name rights."

The Opposed party's arguments: It is only of coincidence that the trademark Wanlu applied for registering is the same as Mr. Zong Qinghou's name. Wanlu's application for registering the trademark fully complies with the Trademark Law.



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No. 1623365 "宗庆后(Zong Qinghou)" trademark opposition case

Facts acknowledged in this case:

The opponnent's legal representative, Mr. Zong Qinghou, has legal rights to his name. Mr. Zong Qinghou received numerous honorable titles during his management of Wahaha. It then can be decided that "宗庆后(Zong Qinghou)" has a high reputation in the relevant industry and that Wanlu should have known this.

Conclusion:

As the opposed trademark is the same as Mr. Zong's name, and the designated goods are identical with or similar to the opponent's major product. Wanlu's application for the registration of No. 1623365 trademark "宗庆后" may infringe Mr. Zong Qinghou's name rights. The opponent's arguments are justified and the opposed trademark shall be rejected.



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agent or representative, without the authorization of the principal, seeks to register in the agent's name the principal's trademark

Article 15 of the *Trademark Law:*

Where an agent or representative, without the authorization of the principal, seeks to register in the agent's name the principal's trademark and where the principal objects, registration shall be refused and the use of the mark shall be prohibited.

A trademark that is applied for registration in identical or similar goods with another party's prior used identical or similar trademark shall not be registered, if the applicant is in a contractual or business relationship or other kind of relationship other than provided in the preceding paragraph with the party, thus clearly knows about the party's trademark and that the party opposes the registration applied for.



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No. 3083605 "BRUNO MANETTI" trademark opposition case

- The opposed trademark:
 No.3083605 "BRUNO MANETTI"
 trademark
- The opponent has provided notarial agreements of "BRUNO MANETTI" trademark license and assignment, which proved that as the agent of the opponent, the opposed clearly knew that the "BRUNO MANETTI" trademark was owned by the opponent, and that
- the opposed was not authorized to register the "BRUNO MANETTI" trademark in China.
- Ruling of the opposition:
 The opponent's grounds of opposition is justified, and the registration of No.3083605 "BRUNO MANETTI" trademark is not granted.

bruno manetti



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No. 1148218 "娜赫曼 NACHTMANN" trademark dispute case

• The contested mark:
No.1148218 "娜赫曼 NACHTMANN"
trademark

• The trademark of cancellation Applicant:



NACHTMANN

Goods: Household glassware; Painted glassware

•Grounds: Article 15

Cancellation Applicant: Nachtmann GMBH

Respondent: Shanghai Jucheng Co., Ltd

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No. 1148218 "娜赫曼 NACHTMANN" trademark dispute case

Facts acknowledged in this case:

- Nachtmann GMBH is the owner of the mark "NACHTMANN".
- There is a distribution agreement between the two companies.
- Shanghai Jucheng registered a similar mark in his own name without the right owner's permission.
- The goods under comparison are similar.

Conclusion: Article 15 of the Trademark Law is applied.

The contested mark is cancelled.



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The below conditions must be satisfied for an act to fall under the act where an agent or representative, without the authorization of the client, seeks to register.

- (1) An applicant of a disputed trademark registration is an agent or a representative of the holder of a trademark.
- (2) The disputed trademark is used for identical or similar goods/services designated for a trademark of a client of the agent (a party employing the agent) or a client of the representative (a party that is not the representative).
- (3) The disputed trademark is the same as or similar to the trademark of the client of the agent (the party employing the agent) or the client of the representative (the party that is not the representative).
- (4) The agent or the representative cannot prove that the act of filing and registration is authorized by the client of the agent (the party employing the agent) or the client of the representative (the party that is not the representative).



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In order to determine whether bad faith is present or not, the following factors shall be totally considered:

- (1) Whether a trade relationship or a cooperative relationship existed or not between the applicant of the pending trademark and the holder of the trademark;
- (2) Whether the common area of the applicant of the pending trademark and the holder of the trademark or the goods/services of the both sides are within the same sales route and range or not;
- (3) Whether another conflict has been present between the applicant of the pending trademark and the holder of the trademark or not, and whether the both sides knew trademark of a prior user or not;
- (4) Whether intercommunication between the applicant of the pending trademark and the members of the holder (organization) of the trademark has been made or not;
- (5) Whether the applicant of the pending trademark intends to gain unfair profits after registration or not, and whether the applicant of the pending trademark conducts misleading advertisement, enforces dealing and partnering (on a trademark) to the prior user, releases the trademark to the prior users or other persons at a high price, and charges them a license fee or compensation of infringement of right by utilizing a certain good fame and impact of the trademark possessed by the trademark holder, or not;
- (6) Whether the trademark has more significant originality than trademarks of other persons or not; and
- (7) cases considered as maliciousness.



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http://sbj.saic.gov.cn/



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Thank You!

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