

### INTA Comments on the CNIPA's Consultation to Draft Trademark Examination Manual July 12, 2021

The International Trademark Association (INTA) is pleased to submit these comments for consideration in promulgating the *Trademark Examination Manual* ("Draft Manual").

INTA is a global organization of 6,500 brand owners and professionals from over 185 countries, including 269 members in China. INTA is a not-for-profit membership association dedicated to supporting consumer confidence, economic growth and innovation. Founded in 1878, INTA is a leader in global trademark research, policy development, and education. Headquartered in New York City, INTA also has offices in Beijing, Brussels, Santiago, Singapore, and Washington D.C. and a representative in New Delhi. For more information, please visit our website at <a href="https://www.inta.org">www.inta.org</a>.

INTA supports the international development and harmonization of examination standards. The following comments were prepared by INTA's relevant committees and staff. We would welcome the opportunity to discuss these issues in-depth and to answer any questions. We hope you will find our comments helpful.

#### I. General Comments

INTA commends the initiative and resolve of the Chinese government to formulate detailed guidelines on trademark examination. We applaud the efforts to curb the malicious trademark filings by taking more concrete actions in the ex-officio examination, to protect other prior legitimate rights and interests in the draft Manual. We appreciate the section on GIs has been significantly improved, is clear and comprehensive, and follows established international practice regarding GIs. Meanwhile, we expect more clarification and enforceable provisions in the current draft on the formality examination, the regulation of bad-faith trademark applications without intent to use, and increased protection of non-traditional trademarks and famous and well-known trademarks.

#### II. Specific Comments

Page/Article	Content of the Article	Comments	Suggestions
Formality Exa	mination		
Chapter I page 30 5.2 The POA for trademark agency	The POA for trademark agency should be the original.	For foreign applicants, it takes a long time to obtain the original POA, when the deadline is close.	retain the current practice for applicant

Chapter III page 73  3.3.5 The POA for trademark agency	The POA for trademark agency should be the original.	Same as above.	Same as above.
Chapter IV page 94  5 Review of supplementar y materials	Where the parties require to supplement relevant evidence materials after submitting the review application or submitting the review and defense, they shall declare in the application or the statement of defense, and submit it in one lump sum within 3 months from the date of submission of the application or the statement of defense; where the parties fail to declare in the application or the statement of defense, or fail to submit it at expiry, it shall be deemed to have given up supplementing evidence materials.	It is inconsistent with Article 59 of the "Regulations for the Implementation of the Trademark Law".	It is recommended to be consistent with the provisions of the "Regulations for the Implementation of the Trademark Law" to "submit within 3 months from the date of submission of the application or statement of defense.".
Chapter II page 57 4.3.1 items of application	Circumstances shall not be accepted:  (4) where the foreign applicant's name or address has not been translated into Chinese, or the English name or address has not been filled in with normative English.	The circumstance (4) shall be a circumstance that can be remedied. Please refer to the provisions of 4.2.1 on page 53. "(3) The applicant's name or address in the application contains non-simplified Chinese characters. For instance, where the applicant's name, the domestic recipient of foreign applicants contains traditional Chinese characters, Japanese characters, or the Chinese name of the foreign applicant has not been fully translated into Chinese."	It is recommended to delete (4).

Chapter IV page 93  4 review of defense materials	If there is a respondent in the review application, after the trademark registration department accepts it, it shall promptly serve a copy of the application and relevant evidence materials to the respondent and notify the respondent to reply. The respondent shall submit the defense materials within 30 days from the date of receipt of the defense notice; failure to reply within the prescribed time limit shall not affect the trial.	This clause does not stipulate whether it will be served to the respondent's agency or the specific recipients, methods, content, etc. On page 99 of Chapter V, there are more detailed regulations on the service of the cancellation documents, and it is recommended to uniform the service methods.	It is recommended to further clarify whether the notice of review and defense (notice of defense of invalidation, notice of defense of cancellation of review, notice of defense of non-registration review, etc.) will be served to the agency of the party concerned, or whether it is served to the agency listed in the registration or the latest-authorized agency, by paper or efile?
Madrid Interna	ational Registration		
Chapter 14 Item 4  Change of Name or Address of the Applicant  Page 201	Regarding the application for change the name or address of the applicant for the International Registration, WIPO does not require submission of the documents for such change. The CNIPA requires the applicant to submit "the related document showing such change."	The WIPO's requirement can be located here:  https://www.wipo.int/ex port/sites/www/madrid/en/forms/docs/note_for _filing_form_mm9.pdf	Further clarification for the reason for requesting supporting documents would be welcome.
Item 5 Assignment of the IR Page 202	Regarding the application for assignment of the International Registration, WIPO does not require submission of the documents for the assignment. The CNIPA requires the applicant to submit "the document proving the identity of the assignor and assignee and the documents should be chopped with the applicant's company seal or the signature of the assignor and the assignee. For the foreign assignee, it is required to submit the notarized Assignment Agreement or the notarized Statement of Assignment".	How to Manage your International Registration: Change in Ownership (wipo.int)  The WIPO's requirement can be located here:  How to Manage your International Registration: Change in Ownership (wipo.int)	Same as above.

Chapter Two Examination and Review on Bad-Faith Trademark Applications without Intent to Use

5.Applicable Circumstanc es

The following circumstances are subject to the "bad-faith trademark applications without intent to use" stipulated by this Article except that a trademark applicant can provide the contrary evidence:

- (3) Repeatedly filing the specific trademarks that are of certain reputation or strong distinctiveness under the name of the same trademark holder. trademark the disrupting registration order. If the repetitive trademark filing behaviors are subject to other provisions of the Trademark Law of the PRC bad-faith regulating the applications, the said provisions shall be applicable to such circumstances.
- (9) When a trademark applicant intends to seek the unjust profits by selling a large number of its trademarks, forcing the parties that have anteriorly used the trademarks involved or other parties to establish the commercial cooperation, demanding trademark assignment fees, authorization fees, or damages of high amount, etc.

Among the above circumstances, the circumstances (3) and (9) are generally applicable to opposition and review proceedings. The remaining circumstances are applicable to the ex-officio examination, opposition, and review proceedings.

The circumstances (3) and (9) are subject to the bad-faith trademark filing behaviors according to the contents of the provisions, under which the bad faith of the applicant is severe. If there are concluded prior oppositions and review cases or the CNIPA receives the compelling complaints from any interested parties in relation to the bad faith Ωf applicant, it is proposed that the CNIPA also consider regulating the trademark bad-faith applications under the circumstances (3) and (9) in the ex-officio examination rather than merely in the opposition and review proceeding.

We would expect more clarification as to the purpose of distinguishing the circumstances (3) and (9) from the other eight scenarios.

Chapter Nineteen  Application Scope of Notice on Examination Opinion	3. Application Scope:  The Notice on Examination Opinion can be issued under the following circumstances:  When a trademark application is suspected to be a bad-faith trademark application without intent to use, the CNIPA may request the trademark applicant to give an explanation on the intent to file the said trademark application and the use situation of the said trademark.	Requests for Evidence from Suspected Bad Faith Filers – The Draft gives examiners the authority to request suspicious bad-faith applicants to submit use evidence or evidence to prove intent to use, including when the applicant has filed multiple applications at the same time. Where the applicant fails to respond or its evidence is unconvincing, the CNIPA has the right to reject the application.	INTA supports this positive development.
Citation  Chapter Five Examination	The fundamental factor and the underlying fact that may affect the	The Draft explains the principle for assessing	INTA supports this positive development.
and Review on Identical or Similar Trademark  3.2 Relevant Elements to consider	possibility of confusion is to what extent the trademarks are similar. In the <i>ex-officio</i> examination, the trademark similarity <i>per se</i> is the principal factor. In other procedures, on basis of trademark similarity, the following factors shall also be taken into account to comprehensively determine whether the trademarks used on identical or similar goods or services may lead to confusion on the origin of goods or services among the public, i.e., the distinctiveness and reputation of the prior mark, the level of attention paid by the public, and the subjective intent of the trademark applicant.	similarity, besides visual similarity, other factors such as their reputation, the level of attention paid by the public, and the subjective intent of the applicant (helpful in cases involving bad faith filings).	positive development.
Chapter Five Examination and Review on Identical or Similar Trademark  Examination on the Similarity of Word Marks	However, where the meanings of the trademarks in foreign languages exceed the general recognition capability of the public, the public identify the said trademarks as the ones without specific meanings and the confusion may not be easily caused, both marks are not ruled as similar trademarks.	The Draft suggests that examiners need not regard two marks as similar where their meanings are obscure to Chinese consumers. This provision should prove particularly helpful where examiners regard two marks as conceptually similar based solely on	INTA supports this positive development.

## dictionary entries, but where the Chinese public are less likely to actually know their meanings – and thus less likely to be confused.

#### Examination and Review on Infringement Upon Others' Prior Rights

Other prior legitimate rights and interests that shall be protected

Other prior legitimate rights that shall be granted for protection refer to any legitimate rights or interests except the trade name right, the name right, the portraiture right, the copyright, and the name of the goods or services with certain influence, such as the right and interest in the name of a work, the right and interest in the name of a character of a work, etc. If the work name or character name has obtained high reputation before the application date of the trademark involved and the use of the trademark involved on related goods or services may mislead the public to consider that such use is authorized by the holder of the prior rights or there is affiliation between trademark applicant and the right holder, the trademark involved shall be disapproved registration or invalidated if the right holder claims its prior rights.

Names of Copyrighted Works and Characters -Draft codifies existing practice by confirming protection for the names of copyrighted works (such as books or movies) as well as the names of characters within such works.

INTA supports positive development but calls attention to the important point that trademark rights and other complementary rights such copyright are separate legal doctrines (see INTA 2017 Resolution: Copyright Protection for Trademarked Material).

#### Non-traditional Marks

# pp. 34-49, formal examination on registration application, Chapter II, First Volume

34: Where an applicant does not make a declaration, the trademark registration is deemed not to be applied as a three-dimensional mark, color combination or sound mark, and relevant documents attached thereto will not be examined.

- (1) If the submitted trademark specimens can present a three-dimensional effect and can identify and determine a three-dimensional shape, it will be deemed as a three-dimensional logo trademark.
- (2) If a three-dimensional logo trademark is declared in an application, however the submitted trademark specimens

An application for a three-dimensional mark, color combination or sound mark involves multiple requirements including trademark declaration, trademark specimen, sound sample, trademark description.

The expression of "be deemed/not be deemed as a XX trademark" tends to give the wrong impression that CNIPA will directly examine a trademark as an ordinary trademark if the

It is recommended to replace the expression "whether it is examined as a certain type of trademark" with the expression "whether it meets the requirements of formality examination" to align with current practice.

It is recommended that in the trademark declaration, trademark specimen, sound sample and trademark description, legal

cannot present a three-dimensional effect or identify and determine a three-dimensional shape, or the submitted trademark specimens consist of more than two independent three-dimensional shapes, it will not be deemed as a three-dimensional logo trademark.

42: Specify color name and color number and explain how to use the trademark in the column "Trademark Detail". If no declaration is made, the trademark will be examined as a non-color combination trademark. 44: If no declaration is made, the trademark will be examined as a non-sound trademark.

trademark application does not meet the formality requirements. But in fact, according to relevant contents in the section of trademark correction and dismissal, failure to meet requirements within said time limit will lead to a notice of correction first, and if the correction still fails to meet requirements, the application will be dismissed.

The use method of a trademark is an important basis to determine the protection elements and nonscope of а traditional trademark. especially for color combination trademark and sound trademark. However, the current trademark announcement does not contain relevant information, making it difficult for third parties understand specific use methods of trademarks. same time, the absence of an indication on a trademark registration certificate will also result in obstacles for right holders enforcement actions.

consequences and remedies of non-conformance should be listed, to the extent of which circumstance will lead to correction and which will lead to dismissing.

It is recommended that the explanatory part of a trademark can be publicized and marked in the trademark announcement and trademark registration certificate.

p. 35, forma
examination
on
registration
application,
Chapter II
First Volume
3.1.4.2
Three-
dimensional
Logo
Trademark
3.1.4.2.1
Specimen

Where application for an trademark registration is made with a three-dimensional logo, specimens capable of determining a three-dimensional shape should be submitted. The trademark submitted specimens should contain at least three views (such as front view, side view, bottom view, top view, etc.), and the multifaceted views belong to the same three-dimensional logo. The overall length and width of the specimens containing multifaceted views should not be greater than 10 cm and not less than 5 cm. If a three-dimensional logo contains text, the text part should be marked at the correct position in the three-dimensional shape views and should not be independent of the views.

There are no relevant provisions on how to prepare trademark specimens for an application for registration of the shape, package or part of container of goods themselves as a threedimensional logo.

It is recommended that applicant mav indicate the position of three-dimensional logo in use with a graph outline, to draw the on color combination trademark. The graph outline is not component of the trademark and must be shown in dotted line rather than solid line.

### 3.1.4.3, pp. 41-42, Chapter II, First Volume

Color Combination Trademark

pp. 250-251, Second Volume At present, China only allows a color combination to be applied for registration as trademark, while a single color is not accepted.

An applicant should submit a combination of two or more colors as a trademark specimen and should not apply for registration with a single color.

Due to the extremely limited variety of single color in nature, accepting the trademark application of single color may give rise to monopolization in the use of a certain color and hinder the normal use of other production and business entities. Therefore, at present, China only allows for a color combination to be applied for registration as trademark and does not accept a single color.

This clause contradicts the Supreme People's Court's decision. In the case "Red Sole" under [2019 Zui Gao Fa Xing Shen No. 5416], the Supreme People's Court holds that: The mark components of the disputed trademark do not fall within contents clearly listed in Article 8 of the Trademark Law, but they are not explicitly excluded from the marks that can be registered as trademarks the bγ Trademark Law. whereas the CNIPA opines that the disputed trademark does not fall into the trademark types protected by Article 8 of the Trademark Law, which has no legal basis will and not be supported.

In the case of Red Sole, the disputed trademark It is recommended that content relating to "do not accept 'single color' trademark" be deleted.

It is recommended that the formality examination and substantive examination of trademarks with defined positions should be clearly stipulated. In with particular, reference to relevant content of color combination trademark, how to use dotted line and solid line to apply for a trademark with defined position should further explained.

		is defined as "composed of the color red with designated position of use, which makes it a trademark of a single color with its position of use defined". In other words, the "position" of use of a particular element is examined as a component of a trademark, but the current examination and trial standards do not stipulate anything about how "position" should be examined and weighed in trademark examination and trail.	
Geographical	Indications and Certification/Colle	ctive Marks	
Chapter 9 5.2.2 (1)	The quality of products determined only by either human factors or natural factors.	<ul> <li>Article 16 of Trademark Law uses "natural factors or human factors", so, based on the Trademark Law, it cannot reach the conclusion that that the products which were only determined by one factor cannot meet the requirement of GI.</li> <li>It is often difficult to judge whether there are human factors or natural factors merely based on the trademark itself. For example, the guideline mentions "Xuyi Wild Centipede" does not contain human factors, but this is contrary to "Xuyi Lobster" which suffices the requirement.</li> </ul>	To align with the Trademark Law Art 16, it is recommended to delete this term directly.

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6.6	Products determined only by either natural factors or human factors do not conform to the definition of GI.	Same as above.	It is recommended to delete this term.
6.2	Examination on the Applicant's Qualifications: Where a foreigner or a foreign enterprise applies for registration of a GI collective trademark and a certification trademark, the applicant shall provide proof that the GI is legally protected in its name in the country of origin	In some cases, the GI may be protected by a law or by a public body in the foreign country and this, in itself, should not prevent an appropriate private party from registering a GI in China.	We recommend that the Manual state that the Manual state that the foreign applicant provides proof that the GI is protected in the country of origin and either:  1) That the protection is in its name or  2) If it is not in its name, that the applicant has the necessary authority to make the application. This can be demonstrated via an official letter issued by their government.
6.4	Examination on the Applicant's Ability to Supervise, Test and Inspect	This section is quite restrictive in that it appears to suggest that Gls are always tested through chemical analysis either by the applicant or through a contractual arrangement with a third party.  The reality is more complex. For example, the authenticity of the product may be checked by inspection of premises or documentary records. It may also be the case that the applicant does not contract with a single provider to carry out tests but rather work	We recommend amending the Manual to require that the applicant must provide sufficient proof to demonstrate that it has the ability to supervise and inspect the geographical indication either through its own resources or by the use of third parties.  They can do this by providing details of the testing equipment and personnel etc. or by other documents or materials showing the efficacy of the testing and inspection program.

6.7	Examination on the Existence of a GI and the Documentary Evidence of its Reputation	with different bodies on a less formal basis.  This section refers to the importance of proving the existence and reputation of a GI but does not state that such reputation should be attributable to the geographical origin of the product.	We recommend that the Manual be amended to refer to the link between the reputation of the product and its geographical origin.
Famous and V	Well-Known Marks	ine product.	
3.3  On-demand identification principle (page 323)	Where a party's trademark really needs to be protected in accordance with Article 13 of the Trademark Law through the recognition of a well-known trademark, the trademark registration department may determine whether the trademark is well-known. If other provisions of the Trademark Law can be applied to protect the party's trademark based on the evidence in the case, or the registered use of the disputed trademark will not cause confusion or mislead the public, cause the interests of the party to be harmed, the trademark registration department does not need to recognize whether the mark achieves well-known status.	In practice, in some opposition, non-approval review and invalidation cases, the applicant only claimed well-known protection based on Article 13 of the "Trademark Law" without claiming other legal articles, the Trademark Office directly made decision based on other legal articles, such as Article 30 of "Trademark Law", in favor of the applicant, but did not make decision on whether or not the applicant's trademark is well-known. Such ex-officio office action by Trademark Office should be clarified and explained in order to facilitate the applicant's preparation of the case and the predictability of the result.	We recommend clarifying whether the Trademark Registration Department shall make decisions on the well-known mark claims if it is the only ground claimed in the case and other provisions of the Trademark Law are not specifically mentioned in the argument.

Principle of good faith (page 323)	If the parties are listed on the National Enterprise Credit Information Publicity System and the "Credit China" website in the list of abnormal business operations, the list of severely illegal enterprises, the list of targets for joint punishment of untrustworthiness, and the existence of equity freezing, tax arrears, criminal offences, etc. in the past three years, The party's request to claim for well-known mark status will not be heard.		This is a positive development, but we would recommend clarifying whether it is applicable to a party who was once enrolled in the list but has been removed.
Applicable requirements of Article 13 Paragraph 3 of the "Trademark Law" (page 324)	The application of Article 13 Paragraph 3 of the "Trademark Law" must meet the following requirements:  (1) The trademark of the party concerned was well-known and registered in China before the date of the disputed trademark application;  (2) The disputed trademark constitutes the duplication, imitation or translation of the well- known trademark of the party concerned;  (3) The goods or services used in the disputed trademark are not the same or similar to those used in the well-known trademark of the party concerned;  (4) The registration or use of the disputed trademark misleads the public and may damage the interests of the parties concerned.	Provisions in Article 14 of Supreme People's Court on Several Issues Concerning the Hearing of Administrative Cases Involving the Granting and Affirmation of Trademark Rights (2017), and also Article 11.8 of Beijing High People's Court Guidelines for the Adjudication of Cases Involving Granting and Affirmation of Trademark Right (2019) have formalized the practice already.	It is recommended that the Manual adopts the current judicial practice and aligns with the Supreme People's Court view that Article 13.3 of Trademark law would be applicable to those registered well-known trademarks on identical or similar goods, despite the registration date exceeding 5 years.
Other evidence requirements for determining well-known (page 328)	(6) The parties requesting the protection of well-known trademarks shall follow the principle of good faith. And be responsible for the authenticity of the facts and the submitted evidence materials. Those who submit false materials or have bad corporate credit records shall not be recognized.  3.4 Principle of good faith		Positive development, but we would recommend clarifying whether records as listed in the Article 3.4 of this Chapter shall be regarded as having bad corporate credit records.

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7.0	ZOTa datamaina (L. 1999)		14 15
7.3  Considerations in determining the possibility of confusion and misleading  8  Judgment of malicious registration (page 330) (page 332)	<ul> <li>7.3 To determine the possibility of confusion or misleading, the following factors shall be considered comprehensively:</li> <li>(2) The originality of others' well-known trademarks;</li> <li>8. The following factors can be considered in determining whether the disputed trademark applicant is malicious:</li> <li>(6) The well-known mark has a strong originality;</li> <li>(7) Other circumstances that can be determined as malicious.</li> </ul>		It is recommended to replace "originality" with "distinctiveness", to be in line with Article 13 of Provisions of the Supreme People's Court on Several Issues Concerning the Hearing of Administrative Cases Involving the Granting and Affirmation of Trademark Rights.
Enforcement			
Chapter 17 Examination of cases concerning cancellation of a registered trademark 5.2 Determinatio n of the use of trademarks (Page 383)	The following circumstances shall not be regarded as trademark use in the sense of the trademark law (3) use as gifts only;	The exclusion of gifts, in relation to trademark use as provided in Article 49 (cancellation based on non-use for three consecutive years), is in contradiction with Article 26 of the CNIPA's Criteria for Determination of Trademark Infringement (2020) which provides that: "Where the complimentary products offered by a business operator in premium sale infringes other's registered trademark, it falls under the trademark infringement act as provided by Article 57.3 of the Trademark Law."	It is recommended to delete this article.

Chapter 18 Examination of Article 50 of the Trademark Law

3. Applicable conditions (Page 393)

Where, at the time the decision is made, the identical or similar prior registered trademark has been cancelled (except for the cancellation due to non-use for three consecutive years), and where less than one year has passed since the announcement of the cancellation decision, Article 50 of the Trademark Law shall apply, and such prior trademark shall be quoted.

Where, at the time the decision is made, the identical or similar prior registered trademark has been invalidated, and where less than one year has passed since the announcement of the invalidation decision, Article 50 of the Trademark Law shall apply, and such prior trademark shall be quoted.

Where, at the time the decision is made, the identical or similar prior registered trademark has expired and no renewal application has been filed, and where less than one year has passed since the expiration of the trademark, Article 50 of the Trademark Law shall apply, and such prior trademark shall be quoted.

Considering that lots of bad faith registrations are cancelled or invalidated in practice, it is not fair that such trademarks may still block the real right owner's application for one more year.

It is recommended to add the following contents into this article:

- 1) The examination of trademark application. that would be subject to refusal due to a prior trademark has that been cancelled invalidated for less than a year, shall be suspended until the one-vear period provided by Article 50 elapses.
- Article 50 does not apply when the prior trademark has been canceled or invalidated on the ground of bad faith.

Chapter 3
Examination
of signs that
cannot be
used as
trademark

2.9
Examination
of signs
containing
geographical
names (Page
63)

"Foreign geographical names known to the public" in this article refer to the geographical names of countries and other regions outside of China that are known to the public in China. Geographical names include full names, abbreviations, foreign names and their frequently used Chinese transliterations. Such as "Tokyo", "New York" and so on. Foreign geographical names that are not well-known to the public in China are not prohibited.

Since there are no objective criteria to define the terms known to the public in China", interpretation varies from examiner to examiner over the same foreian geographical name.

It is recommended to enumerate a non-exhaustive list of geographical names which meet the requirement of "known to the public in China", such as:

- Cities where foreign capitals or political centers and important economic regions are located;
- 2. Famous foreign attractions or tourist cities;
- 3. The areas where geographical

indication products protected by foreign laws are located; Other foreign
geographical names that are known to the public in China.

We thank the China National Intellectual Property Administration for the opportunity to submit the above comments. INTA welcomes future communication with the CNIPA Treaty and Law Department. Should you have any questions, please contact our China Representative, Ms. Monica Su at <a href="mailto:msu@inta.org">msu@inta.org</a>.

Sincerely,

Etienne Sanz de Acedo Chief Executive Officer

International Trademark Association