

International IP Webinar Series

Western Fashion Brands in China: Recent Cases in Registering and Enforcing IP

Before We Get Started...



Recording

A link to the recording and slides will be emailed to all registrants.



Questions

Type in the question box and we will answer in real time or during the Q&A.



Social

Follow us on LinkedIn or go to slwip.com to see upcoming and on demand webinars.

Director of China Intellectual Property Practice

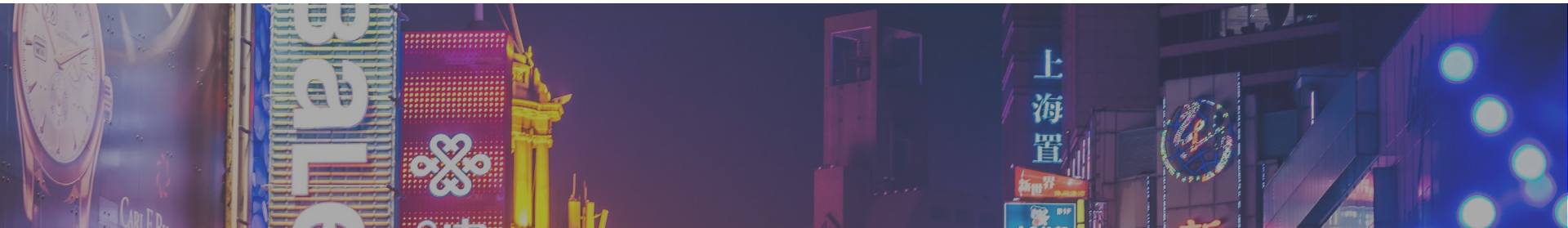
Aaron Winger

Aaron Winger is a Senior Attorney and Schwegman's Director of China Intellectual Property Practice. Aaron counsels both U.S. and Chinese companies on patent and trademark portfolio development, non-infringement and invalidity opinions, and cross-border enforcement of intellectual property rights. He has worked with clients in the areas of software, networks, lasers, medical devices, semiconductors and physics. His knowledge of both the Chinese and American markets allows him to advise his clients as they expand and enforce their intellectual property portfolios. He frequently publishes articles on his blog, [China IP Law Update](#).



Episode Overview

- Chinese Intellectual Property Relevant to Western Fashion Brands
- Enforcement Mechanisms in China
- Recent Cases from China





Chinese Intellectual Property Relevant to Western Fashion Brands

Trademarks - A **word, phrase, design**, or a combination that identifies your goods or services, distinguishes them from the goods or services of others, and indicates the source of your goods or services.

- Burberry
- Fendi



Non-Traditional Trademarks – Single colors, sounds, scents.

"The mark consists of the color red (Pantone No. 18.1663TP) applied to the sole of a shoe as shown in the representation (the outline of the shoe is not part of the mark but is intended only to show the placement of the mark)."



Copyright – The protection of an expression of an idea but not the idea itself.

- Product packaging
- Instructions
- Logos (if meet creativity requirement)
- Artwork reproduced on clothing (but not clothing itself)
- Watch Face



Design Patent – with respect to a product, new designs of shape, pattern or combination thereof, or the combination of the color with shape and pattern.

- Shoes
- Perfume Bottles
- Jewelry
- Handbags
- Clothing
- Watches



立体图1



Personality Rights

- Similar to Right of Publicity
- Protects right to your name, likeness, reputation, etc.
- Cannot be waived, transferred or inherited (although after death relatives can enforce the right)
- Name can be used for news reporting, etc.
- Punitive damages are available when intentional infringement and circumstances are serious



Invention Patents and Utility Models - new technical solutions proposed for a product, a process (for inventions) or the improvement thereof.

- Manufacturing Processes
- Structures
- Chemicals/Fabrics
- Sensors Integrated to Fashion Items
- Watch Mechanisms

Examples:

- Footwear and method for manufacturing sole of the footwear
- Insulated Composite Fabric
- Breathable fabric

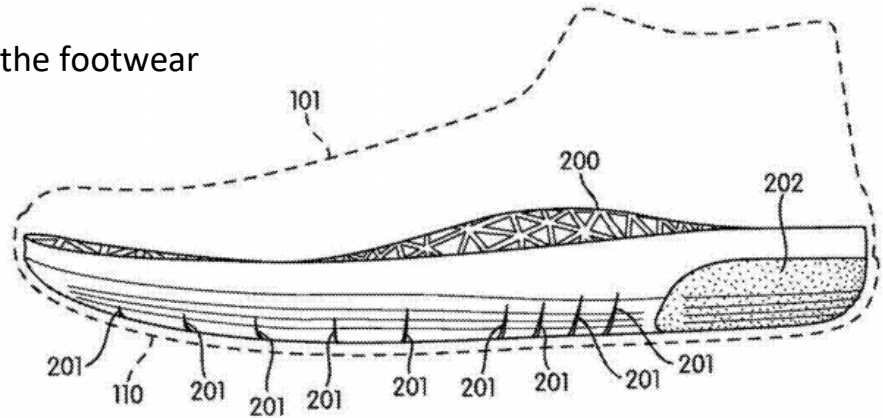


图2A

Summary

IP Type	Protection	Term	Time to Registration	Examples
Trademark	Source of Goods (Brand Name)	10 years renewable	6 months to a year	Burberry, Hermes Logo
Copyright	Expression of Idea	50 years from publication	6 months to a year (but not required)	Shopping Bag, Design on Clothing
Design Patent	Ornamental shape or pattern of a product	15 years from filing	6 months to a year	Shoes, bottles, watches, jewelry, handbags
Right of Personality	Name, likeness, etc.	Unclear	N/A	Michael Jordan
Utility Model	New Technical Solution for a Product	10 years from filing	6 months to a year	Shoe structure, watch mechanism
Invention Patent	New Technical Solution for Product/Process	20 years from filing	2 – 3 years	Shoe Structure, watch mechanism, chemical, method

Enforcement Mechanisms for Chinese IP




Enforcement Mechanisms in China

- Civil Litigation
 - Punitive Damages
 - Injunctions
 - Public Apologies
- Administrative Adjudication
 - Fast!
 - Injunctions and Fines; No Damages
 - Seizure of infringing products and potentially manufacturing equipment.
- Criminal
 - Fines and prison.
- Takedowns
 - Regularly check e-commerce platforms like Taobao and Pinduoduo

Example Taobao Listings

举报



***现货*ROKH RH经典LOGO 优雅到迷醉JENNIE同款印花春半身长裙**

价格 **¥159.00** 41 32
 累计评论 交易成功

淘宝价 **¥111.30** 优惠券
 约 USD 17.23

优惠 **店铺满减** 5/1-5/5每满200减15,上不封顶

配送 浙江杭州至 全国 快递 ¥8.00 付款后30天内发货 尺码助手

尺码 S M L

颜色分类 蓝色印花裙 PLASTICTOV111

数量 件(库存164件)

立即购买 **加入购物车**

承诺 官方物流配送

★收藏宝贝 (369人气)

举报



仙女cecilie泡泡袖淡蓝色bahnsen露背宫廷风系带连衣裙IcloudU

价格 **¥235.00** 0 0
 约 USD 36.37 累计评论 交易成功

配送 重庆至 全国 快递 ¥10.00 付款后45天内发货 尺码助手

尺码 S M L

颜色分类 浅蓝色

数量 件(库存27件)

立即购买 **加入购物车**

承诺 官方物流配送

支付 JCB Visa Master

★收藏宝贝 (124人气)

第一次淘宝购物? [查看详情](#) | [我有银行卡, 如何支付](#) | [没有银行卡, 如何支付](#) | [支付保障, 交易安全](#)

举报



定制 推荐年度Zui佳! GAUGE81 SAVANNA神裤 腿长1米8

价格 **¥358.00** 78 263
 约 USD 55.41 累计评论 交易成功

优惠 **店铺优惠券** 200元店铺优惠券, 满3500元可用 **领取**
店铺优惠券 150元店铺优惠券, 满3000元可用 **领取**

配送 浙江杭州至 全国 快递 ¥6.00 付款后45天内发货 尺码助手

尺寸 S M L

颜色分类 黑色

数量 件(库存42件)

立即购买 **加入购物车**

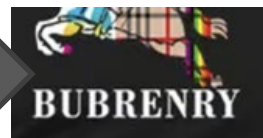
承诺 官方物流配送

支付 JCB Visa Master

★收藏宝贝 (258人气)



Example Pinduoduo Listings



Chinese Cases - Registration



Invalidating Freerider's Design Patent Using ASICS Logo

Qiaodan Sports registered a design patent using ASICS logo

ASICS filed a request for reexamination to invalidate the design patent based on ASICS Chinese Trademark

PRID ruled violates Article 23:3 of the Patent Law since Qiaodan violated prior rights of ASICS

- The design is for sports shoes
- The registered TM was for sport shoes
- While the pattern on the Qiaodan design is not exactly the same it has a similar visual effect
- Differences of two versus one horizontal line is insufficient to influence that visual effect
- Easy for the relevant public to confuse the goods of the patent in question and the goods of the registered trademark owner.



主视图



后视图



左视图



右视图



俯视图



仰视图



立体图

涉案专利附图



在先商标附图

Invalidation of Van Cleef & Arpels' 3D Trademark

- VCA registered a 3D trademark for their Alhambra line of jewelry
- A third party successfully challenged the trademark under Article 11
 - prohibiting registration of marks lacking distinctive features
- VCA Sued in Beijing IP Court
 - has multiple unique designs that are different from other general jewelry and therefore is an identification of the source of goods
 - the long-term use of the disputed trademark by the plaintiff distinguishes the source of the goods
- Beijing IP Court disagreed
- On appeal
- VCA has multiple design patents on the Alhambra line



立体图1



Alhambra Pendant



VCA's invalidated 3D trademark

BVLGARI Invalidates Hijacker's Serpenti Trademark

- Liu registered a Chinese trademark 15911982 for a snake head design
- Bulgari tried to invalidate the mark at the CNIPA and lost.
- Sued at Beijing IP Court and won.
- Beijing IP Court held:
 - Serpenti design is protected by copyright since has certain aesthetic significance, and its expression has the required originality in the legal sense that fine art works should possess.
 - There was evidence of advertising since 2011 and sales since 2013 showing that Bulgari owned the copyright before the TM application was filed.
 - There was evidence that Bulgari used the Serpenti design on bags and other commodities before the TM application date.
 - They have similar expressions in terms of overall appearance, contours, basic graphic composition, and visual effects, and are substantially similar.



Bulgari's Serpenti snake head design



Chinese Trademark No. 15911982

Chinese Cases - Enforcement



New Balance Wins Against Copycat Using 'N' Logo

- New Barlun Registered a Trademark for an 'N' Logo Similar to New Balance's
- Then New Barlun began selling shoes with the New Barlun TM
- Shanghai Pudong Court held:
 - through long-term publicity and repeated use, the relevant public has sufficiently associated the products decorated with N letters on both sides of the athletic shoes with "New Balance," so that the logo has become a source of identification.
 - Achieved a "certain influence" under the Unfair Competition Law.
 - Even if not TM infringement, still unfair competition.
- New Balance was awarded an injunction and damages and expense of 10.8 million RMB.



Left: New Balance's registered trademark No. 5942394

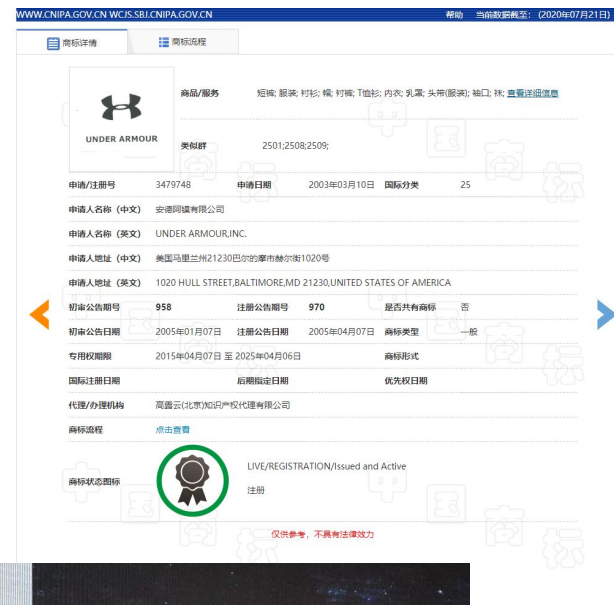
Right: New Barlun's registered trademark No. 4236766







New Balance on Left, New Barlun on Right.

Under Armour Defeats Uncle Martian

- Under Armour has multiple Chinese trademarks
- Fujian Tingfeilong Sporting Goods Co., Ltd. launched the Uncle Martian brand at a press conference.
- Other infringement included investment promotion advertisements featuring the logo, the logo used on the business premises, the logo used on brochures, shoes and a basketball having the logo displayed in a sample room, wristbands and t-shirts with the logo, etc.
- First instance court stated “Tingfeilong’s claim that there is a difference in the design style and overall appearance between the logo and the trademark of Under Armour is not accepted due to insufficient factual and legal basis.”
 - Use of the brand name Uncle Martian was not infringing.
 - Court awarded 2 million RMB, injunction, destruction of infringing products and publication of an apology
- Affirmed on appeal at the Supreme People’s Court



Burberry Wins Preliminary Injunction Against Baneberry

- Burberry sued Baneberry for trademark infringement
 - Baneberry has 40 physical stores opened in the last few years
- Suzhou Intermediate People’s Court awarded a preliminary injunction against Baneberry to stop use of marks Baneberry and its logo.
 - “BANEBERRY” and  are both registered trademarks
 - However, BURBERRY and  were well known already
 - Baneberry used the same special font as the BURBERRY brand to mark their “BANEBERRY” trademark and used it in parallel with the design or the same or similar patterns, resulting in actual confusion.
 - the allegedly infringing products widely used  patterns, which may constitute infringement of Burberry’s trademarked patterns 
- PI was urgent since similar sales channel (high-end malls in first and second tier cities and online) weakening the distinctiveness
- The necessity of the injunction outweighs the disadvantages.
 - From the perspective of the balance of interests, the plaintiff Burberry is the right holder of the internationally renowned brand “BURBERRY”. After a century of intensive cultivation, the brand has gained a high reputation, its rights status is stable, and some trademarks have long been recognized.
 - Based on the facts, there is likely to be a finding of infringement.
 - The possible damage to the defendant caused by the injunction is controllable. Failure to issue an injunction may cause irreparable damage to the plaintiff and cause a lot of confusion and misunderstanding among consumers.
 - the injunction will safeguard the public interest.
 - Plaintiff provided a guarantee.

Fendi Wins in Outlet Reseller Parallel Import Case

- An outlet mall was selling genuine Fendi products
- The mall used the Fendi brand name on store fronts, mall maps, advertising, social media, etc.
- Fendi had a service mark for business management
- The Court on appeal held that using the Fendi name on the storefront tells consumers that the operator of the store is Fendi (or this is some other relationship), which infringes Fendi's TM.
- Also unfair competition by using the name on the storefront, which caused confusion and misunderstanding by the public.
- Fendi did not provide evidence for damages and was awarded 350,000 RMB and an injunction.
- Parallel imports are not prohibited but merchants must be careful when using trademarks to describe their goods.



▲益朗公司在店铺招牌上使用“FENDI”标识



▲益朗公司在折扣信息牌上使用“FENDI”标识



▲益朗公司在购物袋上使用“FENDI”标识



▲昆山首创奥特莱斯微信公众号在“品牌荟萃”一栏中涵盖了“FENDI”等品牌

Michael Jordan Wins Against Jordan (Qiaodan) Sports

- Long running battle over TMs
- Qiaodan is the transliteration of Jordan and is well known in China
- Qiaodan has trademarked and been using the Qiaodan name and a silhouette of a basketball player
 - Jordan failed in TM cancellation proceedings at CNIPA
 - Supreme People's Court ruled that Jordan has right of personality in his name but not the silhouette
 - CNIPA must reexamine TM cancellation decision
- Qiaodan sued Amazon in China for TM infringement for selling Nike Jordan sportswear.
 - Despite Qiaodan's TMs, Jordan has prior rights to the TM
 - Nike was licensed by Jordan transferring the rights
 - Nike was the source of the product, not Jordan
- Jordan won at Shanghai Second Intermediate People's Court based on personality rights
 - Qiaodan Sports must apologize
 - Stop using Qiaodan in the corporate name
 - Stop using Qiaodan TMs (except those that exceed a 5-year statute of limitations)
 - Needs to indicate no connection when using

	商品/服务	服装; 游泳衣; 鞋; 爬山鞋; 帽; 袜; 皮带(服饰用); 舞衣; 婚纱; 睡眠用眼罩; 防滑鞋底; 雪			
	查看详情				
	类似群	2501;2503;2505;2506;2507;2508;2509;2512;2513;			
申请/注册号	6020578	申请日期	2007年04月26日	国际分类	25
申请人名称(中文)	乔丹体育股份有限公司				
申请人名称(英文)					
申请人地址(中文)	晋江市陈埭溪边工业区				
申请人地址(英文)					
初审公告期号	1200	注册公告期号	1212	是否共有商标	否
初审公告日期	2010年01月20日	注册公告日期	2010年04月21日	商标类型	一般
专用权期限	2020年04月21日至2030年04月20日		商标形式		
国际注册日期		后期指定日期		优先权日期	
代理/办理机构					
商标流程	点击查看				
商标状态图标		LIVE/REGISTRATION/Issued and Active	注册		
		仅供参考, 不具有法律效力			

FILA Wins Against EILA in Trademark Administrative Adjudication Case

- Law Enforcement Investigators in Fujian Province Investigated a Warehouse and seized 13,920 pieces of clothing marked with EILA.
- Infringer had been selling on TMall since March 2019 generating revenue of almost 8 million RMB.
- CNIPA also rejected the trademark application for EILA based on the FILA trademark.
- Concurrent civil litigation, which was settled.
- The administrative agency imposed a fine of 1 million RMB, which was upheld on appeal.

The logo for EILA, featuring the letters 'EILA' in a bold, black, sans-serif font. The letter 'E' is stylized with a red horizontal bar above it.The logo for FILA, featuring the letters 'FILA' in a bold, grey, sans-serif font. The letter 'A' is stylized with a triangular shape at its base.

Bonus Case



Prison for Dyson Hairdryer Counterfeiters

- Dyson has a trademark for its name in class 11 for hair dryers.
- Defendants sold counterfeit Dyson hair dryers for about \$100 versus \$400 for the real version.
- Sales volume was 13.5 million RMB with over 19,000 hair dryers sold
- Principal defendant was sentenced to 6-years imprisonment and 5 million RMB fine
- In total, 35 defendants were sentenced from 18 months to 6 years and fines totaled over 10 million RMB.
- “The actions of the four defendants not only seriously infringed the trademark rights of the trademark owner and the rights of consumers, but also possibly due to the hidden quality hazards of counterfeit hair dryers **causing personal injury or property loss** to the final consumer, their behavior has caused great social harm, and the subjective viciousness of each defendant’s crime is relatively large, and the punishment should not be mitigated or suspended.”



Conclusion



Conclusion

- File for multiple types of intellectual property – not mutually exclusive.
- File for trademarks for names, logos, signatures, clothing patterns in multiple classes
- Be assertive in filing for non-traditional marks if important to your brand
- Consider administrative adjudication for smaller infringers
- Consider criminal prosecution if there is a potential health hazard or sales volume is high
- Monitor trademark filings for squatters and freeriders and file oppositions or invalidations
- Regularly check e-commerce marketplaces for infringers and file takedowns
- Follow our blog ChinaIPLawUpdate.com.



Thank you for your interest.
Subscribe to our blog at ChinaIPLawUpdate.com

Questions?



INSTITUTE
Building Extraordinary IP Assets

Schwegman Lundberg & Woessner | slwip.com



These materials are for general informational purposes only. They are not intended to be legal advice, and should not be taken as legal advice. They do not establish an attorney-client relationship.



Schwegman Lundberg & Woessner | slwip.com