

China Trademark Registration: The Final Pieces

Hey everyone, we hope you've enjoyed our series on China trademarks and have found it useful and informative. This time we're going to wrap things up by filling in some blanks here and there to provide the final pieces of the puzzle.

So far we've completed the borders and filled in the large sections. Now we're dealing with those pieces that are harder to place but bring the whole picture together. Let's get started.

First off, you must be a little puzzled as to where all of your Nice classes fit into the Chinese system. While it's true that China uses the Nice classification *system* they actually have their own set of classes and subclasses.

If you submit your trademark filing using the USPTO ID manual, you may submit a class that does not exist in the Chinese Classification System. Then you'll get a rectification request from the China Trademark Office (CTMO) to fix your classes.

So the best thing to do is use the China Classification System in the first place.

Another thing you need to know about applying for classes is that, as we've said before, China does not require proof of use in your application. Therefore, it is a mistake to be too specific and exact about where your goods and services belong. If you don't want to see a bunch of copycats using your trademark and branding, you should apply for any and every class and subclass that could be remotely associated with your goods and services. It's only \$16 CAD for each additional subclass so it's definitely worth it.

You know that puzzle piece that looks as though it fits in a certain spot but then it doesn't? We just told you China doesn't require sound proof of use for trademark applications. That does not mean you will never need to provide evidence that you are using a trademark. Why should that be the case in a first to file country? Well, while you don't need this evidence to be approved for registration, it will come in handy in the case of:

- An opposition
- A review for refusal
- An invalidation
- A cancellation for non-use after 3 years

It is advisable to have this evidence in hand before you apply for trademark registration. In these cases, the best evidence will show that your trademark has been in use in China for a long time previous to filing. Remember, you don't need abundant evidence, just sound evidence that timestamps your trademark in China. In the case of a cancellation, you only need to prove that your trademark has been in use within the past three years.

The picture is really coming together now, but I'd like to fit in the scope of trademarks in China. Are trademarks the way to go for designs and logos?

As it happens, a far better way to protect logos and any part of your trademark that you

actually design, would be to copyright them. Copyright is called the “super trademark” in China.

Design trademarks have a 50% rejection rate. Registering a copyright for a design is not only quicker and easier, it’s also better. The standard of similarity for copyright is much higher; the umbrella of protection wider. It’s a good strategy to register both a trademark and copyright in China.

How good is the “super trademark” protection? Let’s say you have a business name and a logo. You should trademark your name, but copyright your logo. Why? In a trademark application, you have to determine a group of classes and subclasses that your goods fall into, and you are only protected in those classes. By registering a copyright on your logo design, no one may use that design, even if their company belongs to a different class of goods and services.

Now we have reached the final piece of the puzzle. Everything we’ve talked about so far has had to do with your own input to register and protect your intellectual property. But as we’ve said before, China has a dangerous landscape of trademark squatting, counterfeit and infringement. What, if anything, is the Chinese government doing to improve their trademark laws?

Let’s take stock of the situation. China is the second largest economy in the world, but it is the number one country in trademark filing. It’s home to thousands of businesses and manufacturers. 5.7 million trademarks were registered in 2017 alone, far more than any other country, even the US. China’s no slouch when it comes to copyright either, with 137, 267 copyright cases heard in the same year. The whole process must take only 9 months despite the heavy traffic. So airtight security can be a bit of an issue.

That doesn’t mean that China isn’t going to do it’s part to improve their system. Trademark disputes will now be able to reach the Supreme Court of China. Last year, the CTMO called for public comments and suggestions to gather innovative ideas on how to improve their system between 2020 and 2022.

The CTMO is also working on standards for identifying bad faith trademark applications to weed out trademark squatters and infringers. There is even talk of using AI to scan applications using an algorithm that will identify infringing applications.

China wants businesses to take their intellectual property east not just because it is lucrative, but because they feel confident in doing so. More and more business owners are saying that while there is still some way to go, they feel more comfortable in their trademark security in China.

That concludes our series on trademarks in China. In our next series we’ll be jetting off to Europe for some tea, baguettes and EUIPO, so remember to bring your lederhosen. Feel free to call us at Witmart for a free consultation to discuss all of your trademark questions or visit our website to learn more.