

INTELLECTUAL PROPERTY PROTECTION IN CHINA: Best Practices

知识产权的保护在中国： 最佳做法

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简介 - Introduction

- Many foreigners believe that their intellectual property cannot be protected in China
- Consequently they are reluctant to register their IP rights in China,
- or even to do business in the PRC

简介- Introduction – 基本见解 Basic Advice

- China has IP laws that meet international standards
- Chinese courts do enforce IP rights, and particularly IP rights held by foreign parties
- The PRC does have a “wild west” economy
- To a large extent the threat to IP from counterfeiters can be costed and managed

简介 - Introduction - 假冒伪劣 - Counterfeiting

“... a tumultuous period in which the rigid hierarchies of colonial times finally dissolved, replaced by the more fluid social order of a democratic commercial society. Self-fashioning and self-advancement slowly became a viable way of life...”

Stephen Mihm, *A Nation of Counterfeiters*, p.24

法院及知识产权的实施

Courts & IP Enforcement

Lego Case - 英特莱格公司 (INTERLEGO. AG) v. 可高 (天津) 玩具有限公司, Beijing 2002

Lego was successful under design patent and copyright law

Beijing Higher People's Court stated:

可高公司的产品确有抄袭之嫌，但同时也应看到英特莱格公司的上述玩具积木块艺术创作程度确实不是很高，与典型的实用艺术作品在艺术创作程度上尚有一定差距，一审法院出于平衡利益关系的考虑，作出上述认定是合理的，本院予以支持。

(While the Kegao Company's products really have the smell of plagiarism, we should also consider that the level of artistic creation in the English Interlego Company's products is not really very high and there is a certain disparity between it and typical practical works of art. The court of first instance struck a reasonable balance of the interests and we will support it.)

商标案例 Trade-mark Cases

- Ferrero- Rocher – in Tianjin - 2005

意大利费列罗公司(FERRERO S.p.A.) v. 蒙特莎(张家港)食品有限公司

- Ferrero-Rocher had not registered their Chinese character name and had allowed infringing use by a Chinese dairy for well over 15 years.
- Ferrero-Rocher lost at trial and won on appeal and at the Supreme People's Court

商标案例 Trade-mark Cases

- Ferrero-Rocher – cont'd
 - Commenced action in 2003 under Anti-Unfair Competition Law - 反不正当竞争法
 - Grounds for win in Tianjin Higher People's Court:
 1. In determining whether a mark is well-known regard to be had to foreign and domestic market – Paris Convention
 2. Chinese infringer could not prove independent creation of packaging
 3. Chinese infringer could not prove independent creation of packaging
 4. Court cited Article 10bis (2) of the Paris Convention in support of the proposition that Article 5(2) of China's Unfair Competition Law should be read liberally.

商标案例 Trade-mark Cases

- Ferrero-Rocher – cont'd

3. 根据诚实信用和公认的商业道德准则，知名商品应当是诚实经营的成果。因此，在法律上不能把使用不正当竞争手段获取的经营成果，作为产品知名度的评价依据。

(Based on the principles of good faith and recognized business ethics, “well-known” status for a product must be achieved through management’s own efforts. Therefore unfair competition as specified in law cannot be used as a method for management to achieve “well-known” status for a product.)

商标案例 Trade-mark Cases

Sony Ericsson Case - July 2008— Bad Faith Registrations

- Sony Corporation is well-known in China as 索尼
- Ericsson also well-known under the name 爱立信
- In 2001 they formed a joint venture to manufacture and sell mobile phones
- Joint venture incorporated in China as 索尼爱立信移动通信产品（中国）有限公司

商标案例 Trade-mark Cases

- Businessman in Guangzhou applied to register the mark 索爱 on March 19, 2003 – Sony opposed, but lost twice
- Beijing No. 1 Intermediate People's Court said the joint venture was widely reported in the press
- so businessman is presumed to have known about it
- his actions 不正当性 – do have clear legitimacy – read concept of good faith (诚实) into Article 31 of Trademark Law

中国法院的涉外纠纷

Foreigners in the People's Courts

浙江蓝野酒业有限公司 诉 上海百事可乐饮料有限公司
(Zhejiang Blue Wild Liquor Company v. Shanghai Pepsi
Cola) May 24, 2007



中国法院的涉外纠纷

Foreigners in the People's Courts

- December 14, 2003 Chinese co. applied for the trademark “蓝色风暴” (BLUE STORM) – registered January 24, 2006
- July – August 2005 Pepsi used the same mark in a promotional campaign
- Pepsi won in the court of first instance on grounds that use as a slogan was not used as a trademark
- On appeal Zhejiang Higher People's Court awarded 3 million yuan (\$393,576.00 USD) to the Chinese company

外观设计专利案例 - Design Patent Cases

Fiat Panda



Great Wall Peri



外观设计专利案例 - Design Patent Cases

Fiat Auto S.P.A v. 长城汽车股份有限公司 (Great Wall Motor Company),
Hebei Higher People's Court, December 29, 2008

Fiat claimed that Great Wall infringed its design patent

Court said:

– design patents only protect the unique aspects, in this case the side views, but the average consumer would be more interested in the size, shape and technical parameters than the side view protected by the design patent

- differences in the design of the front of the car must also be considered

外观设计专利案例 - Design Patent Cases

Neoplan's Starliner



Zonda's A9



外观设计专利案例 - Design Patent Cases

Neoplan Germany v. 盐城中威客车有限公司 (Zhongwei Bus Co.) 中大工业集团公司 (Zhongda Industrial Co.), Beijing No. 1 Intermediate People's Court, January 14, 2009 (under appeal – decision not available)

- Neoplan registered a design patent, claimed infringement
- Zhongwei said that they created the design independently

Court said – the differences in the designs were too slight to constitute a notable visible effect on the entire design

外观设计专利案例 - Design Patent Cases



教条的发展 - Development of Doctrine

北京泰赫雅特汽车销售服务有限公司 v. 保时捷股份公司
(Porsche AG), 北京市高级人民法院 民事判决书 (2008
) 高民终字第326号 - issued December 19, 2008

Can the trademark be used by others to describe the
product? (known as “nominative fair use”)

In China this case and others say – only if used as little as
possible – Porsche won

No equivalent line of cases in Canada

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