

INTA Comments on the Draft Criteria for Determination of Trademark Infringement

January 18, 2020

The International Trademark Association (INTA) is pleased to submit these comments for consideration in promulgating the *Criteria for Determination of Trademark Infringement* ("Draft Provisions")

INTA is a global organization of 7,200 brand owners and professionals from over 191 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. For more information please visit our website at www.inta.org.

The following comments were prepared by INTA advocacy committees and staff. We would welcome the opportunity to discuss these issues in-depth and to answer any questions. The below input is submitted in the format provided for this purpose. We hope you will find our comments helpful.

I. General Comments

INTA commends the initiative and resolve of the Chinese government to crack down on IP infringement in China. We applaud the efforts to formulize the current good practice, however we expect more clarification of 'trademark use' and its relationship with 'likelihood of confusion' in the current draft to help promote a more unified criteria and consistent practice for determination of trademark infringement.

II. Detailed Suggestions

Article No.	Content of the Article	Comments	Suggestions
Article 2	The term "trademark infringement" as mentioned in these Standards refers to the infringement of the exclusive right to use a registered trademark as stipulated in the Trademark Law and the Regulations on the Implementation of the Trademark Law.	There is no definition of trademark infringement, nor mentioning the infringement against well-known trademarks as the Judicial Interpretation of Civil Trademark Infringement released by the Supreme People's Court (2002.10.12)	We suggest including the definition of trademark infringement and listing well-known trademark protection, referring to the Judicial Interpretation of Civil and Administrative Trademark Cases released by Supreme People's Court in 2002 and 2017 respectively.

Article 4	To judge whether it constitutes trademark infringement, one shall first judge whether the suspected infringement constitutes "use of trademarks" as stipulated in Article 48 of the Trademark Law. The use of trademarks is the commercial use to mark the source of goods (services), is the premise for the realization of trademark functions, and is the behavior that enables the relevant public to distinguish different market players providing goods (services). Relevant public includes consumers related to certain kinds of goods (services) marked by trademarks, other operators that produce the aforesaid goods or provide services, sellers and relevant personnel involved in distribution channels, etc.	The definition of trademark use is a bit narrow, and to some extent blurring the boundaries with 'likelihood of confusion'	We suggest clarifying the nature of trademark use as objective behavior. We suggest the varying level of attention paid to different goods/services by the relevant public should be taken into account when determining consumer confusion. We suggest removing the 'relevant public' part to 'infringement determination' section.
Article 8	The term "without the permission of the trademark registrant" as stipulated in Article 57 of the Trademark Law shall also include the category, goods (services) and time limit beyond the permission of the trademark registrant.		We suggest including the circumstance where licensee keep using the mark after early termination of contract.
Article 18	Trademarks similar to their registered trademarks" as stipulated in Article 57 of the Trademark Law refers to trademarks suspected of infringement and other trademarks. Compared with the registered trademarks of people, the shape, pronunciation and meaning	The draft lists part of Trademark Examination and Review Standards	We suggest clarifying reference to Trademark Examination and Review Standards for determination of similarity of marks, and goods/services.

	<p>of a trademark are similar. Or the composition, coloring and visual approximation of graphic trademarks, or the overall arrangement and combination mode of text and graphic combination trademarks and the overall visual approximation, or the shape of three-dimensional marks of three-dimensional trademarks and the overall visual approximation, or the color or combination approximation of color combination trademarks, or the auditory perception approximation of sound trademarks.</p>		
Article 26	<p>Confusion as stipulated in Article 57 of the Trademark Law includes the following situations: 1) Mistaken the relevant public for the goods (services) involved is produced or provided by the owner of the registered trademark; 2) Mistaken the relevant public to believe that the provider of the goods (services) involved in the case and the owner of the registered trademark have invested, licensed or cooperation and other relations. The identification of confusion only needs the possibility of confusion and does not take actual occurrence as an element.</p>		<p>We suggest including scenarios of confusion before and after the purchase of infringing goods/services as considerations to take into account when determining the extent of infringement.</p>
Article 30	<p>Contractors that undertake processing with registered trademarks of others.</p> <p>For goods, the contractor shall examine whether the</p>		<p>We suggest clarifying the duty of care by the supplier, for instance checking the status of marks owned by the</p>

	ordering party enjoys the exclusive right to use the registered trademark. If the contractor fails to fulfill the obligation of examination to process goods infringing the exclusive right to use a registered trademark, the contractor shall constitute a trademark infringement act as stipulated in Item (1) of Article 57 of the Trademark Law.		entrusting party in China and foreign jurisdiction.
Article 33	Where the registered trademark on one kind of goods of the obligee is removed and replaced by another registered trademark of another kind of goods of the same obligee before being sold, it belongs to Article 57 of the Trademark Law.	If removing the original mark from the renovated goods should be considered as reversed passing-off. But if not, due to the exhaustion of trademark rights, the renovated goods given substantive difference should be considered as passing-off	We suggest requesting the forbidden use of original mark, and marking in a prominent way that the goods are renovated or recycled in such method.
Article 34	Market Organizers, Exhibition Organizers and Counter Lessor, e-commerce platform and other operators are delayed in performing management Duty, knowing or should know the market operators, exhibitors, Trademarks are implemented by counter lessees and e-commerce operators in the platform. Violation of the law without stopping it; Or do business without knowing it After the relevant departments of bid enforcement notified, they still did not take necessary measures to stop it. To stop trademark infringement constitutes Article 57 of the Trademark Law		We suggest clarifying assisting infringement can be handled alone or together with the direct infringement.

<p>Article 35</p>	<p>The following acts belong to Article 57 of the Trademark Law the Trademark Law The "exclusive use of registered trademarks given to others" as stipulated in Item (7) "Trademark Infringement: (1) the same as or similar to the registered trademark of another person Word is registered as a domain name, and related commodities are carried out through the domain name. (Service) Transaction of e-commerce, easy to make the relevant public production mistaken; 2) Gifts and Prizes provided by operators to the relevant public, the Trademark used by him is marked on the same or similar goods as others. The registered trademarks are the same or similar, which easily leads to confusion; 3) Recycling itself by using recycled containers and other renewable resources Goods that use their own trademarks without removing or concealing the original The registered trademark of another person on the container is easy to cause confusion.</p>		<p>We suggest including the application of Unfair Competition Law to regulate those hoarding domain names but not yet conducted e-commerce transaction.</p> <p>We suggest including the principle of trademark right exhaustion, and listing established good practice, for instance those not in compliance with compulsory certification criteria, and those amending the place and date of production, etc.</p>
<p>Article 39</p>	<p>The following circumstances are legitimate use and do not belong to trademark infringement: 1)Without the permission of the trademark registrant, using the same or similar marks as the registered trademarks of others to mark the common</p>		<p>We suggest in normative fair use, the established good-faith practice in commerce should be followed in the sense that no prominent use of word, or standalone use of others' registered word/device marks, nor should it be used in trade</p>

	<p>name, common graphics and common models of the goods (services), or to mark the quality, main raw materials, functions, uses, weights, quantities and other characteristics of the goods (services), or to mark the origin of the goods (services) without causing misunderstanding by the relevant public; 2) Without the permission of the trademark registrant, using the registered trademark of another person in good faith and reasonably, objectively instructing the source, use, service object and other characteristics of his own goods (services) to be related to the goods (services) of another person, and not causing misunderstanding by the relevant public.</p>		<p>name, or interior or exterior signage.</p>
<p>Article 41</p>	<p>The term "trademark with certain influence" as stipulated in the third paragraph of Article 59 of the Trademark Law refers to unregistered trademarks that have been previously used in China and are known to the relevant public within a certain range.</p>	.	<p>We suggest clarifying the criteria of 'certain influence' where it shouldn't be defined too high.</p> <p>We suggest clarifying the conditions of Art 59.3 where geographical and/or business scope should be contained.</p>
<p>Article 45</p>	<p>The suspected infringer does sell goods (services) that he does not know are infringing the exclusive right to use a registered trademark. For infringing goods (services) ordered to stop selling, infringing on. If the right holder sells again, it</p>		<p>We suggest including how to deal with those infringing goods, even when sellers cease the infringement.</p>

	shall be investigated and dealt with according to law		
Article 49	When investigating trademark infringement cases, the lawful prior rights of others shall not be harmed.		We suggest including the regulation of trade dress.