

Highlights of January



Ranked in Chambers APAC 2021

Chambers APAC has recently released its annual ranking report, *Chambers Asia-Pacific 2021*, recognizing Chang Tsi & Partners and its lawyers for excellence in the practice areas of IP.

Spring Chang, Founding Partner of Chang Tsi & Partners, was also ranked as Band 1 in Intellectual Property (non-litigation).

Chang Tsi & Partners Awarded by China Business Law Journal, LEGAL 500 and China Trademark Association

We recently obtained three awards from well-known global legal media.

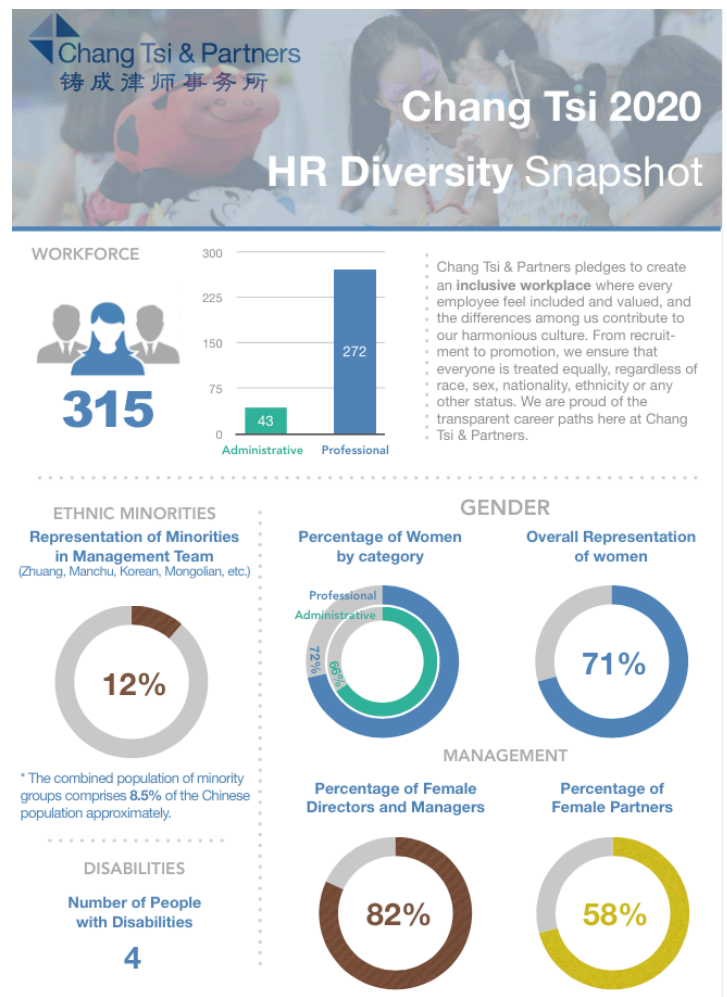
A Legislative Milestone in Hong Kong Trademark Law

It is predictable that trademark will be a scarce resource in Hong Kong, especially in the field of food, beverage, clothing, cosmetics, medicines, FMCG (Fast-moving consumer goods), and so on.

Case of January: Chang Tsi Helps DFJ DragonFund Win 4-year Lasting Trademark Infringement Civil Action

Ms. Tracy Shen (Partner at Chang Tsi) and her team have conducted a thorough analysis on a trademark infringement case of a financial agency by driving a practical strategy and by combining with necessary administrative compliant measures to prove the infringing facts and urge its severity.

HR Diversity Snapshot





Simon Tsi Selected as China's Elite 100 Lawyers by China Business Law Journal

Simon Tsi, Managing Partner of Chang Tsi & Partners, was selected by China Business Law Journal to be listed on "The A-List: China's Elite 100 Lawyers" for his clear aim of providing legal services to maximize legitimate rights of clients practically and effectively.

Based on its annual survey which received nearly 2,000 recommendations from in-house counsel, business leaders and lawyers, 200 elite lawyers for China-related practice, including 100 lawyers working in PRC firms and 100 in foreign firms were selected after extensive research.

Managing Partner Simon Tsi is one of China's most outstanding litigators, and has a long background working with government organisations. With a lifetime of experience in IP, Litigation and Arbitration, and Corporate Law, he has overseen many of the biggest corporate takeovers in China. Tsi, who specialises in legal risk prevention and control, has won landmark trademark infringement and unfair competition cases on behalf of Honeywell International, Kraft, and Johnson & Johnson.

The case *Jianfa v Michael Kors* (2019), in which Tsi represented Michael Kors, was awarded one of 2019 Top 50 Intellectual Property Typical Cases by The Supreme People's Court of China, and the 2019 Top 10 Intellectual Property Typical Cases by Zhejiang Court and Hangzhou Court.

In the case of *Under Armour v Fujian Ting Fei Long Sports Goods Co Ltd* (2017), Tsi represented Under Armour in a claim for trademark infringement and

unfair competition. Tsi's actions in this case were recognised as "2017-2018 Excellent Trademark Agency Cases" by the Chinese Trademark Association, and it was reported by foreign media, including Law360.

In this case, he persuaded the IP tribunal of Fujian Provincial High People's Court to issue its second preliminary injunction to date. Under Armour was awarded damages of RMB 2 million.



Chang Tsi Newsletter

Chang Tsi & Partners Recognized as Tier-1 IP Law Firm by The Legal 500



The Legal 500 has recently released its annual guide, *The Legal 500 Asia Pacific 2021*, recommending the top-tier law firms in different practice areas. Chang Tsi & Partners has been recognized as a Tier-1 law firm in the field of Intellectual Property (Contentious).

“Chang Tsi & Partners has a 'global outlook' and is 'pleasant to work with'. The firm has a strong client offering that covers the full spectrum of intellectual property law. The practice is spread across Beijing, Shanghai, Guangzhou, Shenzhen, as well as other domestic and international locations. Trademark application work accounted for a large proportion of the team's workload, along with patent work. Litigation and disputes are also burgeoning areas. Beijing-based Simon Tsi and Spring Chang (Founding Partners) are highly recommended.

David Lee and Chenyan Wu, are also noted.

(Commented by The Legal 500)

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The Legal 500 is a well-known global legal media, analysing the capabilities of law firms across the world, with a comprehensive research programme revised and updated every year to bring the most up-to-date vision of the global legal market. Its researchers carry out extensive research into each jurisdiction, canvassing law firms and contacting more than 300,000 clients for feedback on the lawyers they instruct.

Chang Tsi & Partners Awarded as Outstanding Trademark Agency of The Year by China Trademark Association

Chang Tsi & Partners was recently invited to the 12th China International Trademark Brand Festival, the most significant event for the Chinese trademark industry, in Nan Chang.

At the opening ceremony, Chang Tsi & Partners was awarded as the "Outstanding Trademark Agency of The Year". Our colleagues also participated in different sub-forums, sharing our knowledge and experience with other participants.



ChangTsi Helps DFJ DragonFund Win 4-year Lasting Trademark Infringement Civil Action

Established in 2006, DFJ DragonFund was the joint venture of Draper Fisher Jurvetson (DFJ) and DragonVenture, which concentrated on investing emerging technology in China. DFJ DragonFund (Shanghai) Equity Investment Management Co., Ltd. (in Chinese: 德丰杰龙脉 (上海) 股权投资管理有限公司; hereafter "DFJ DragonFund" in short), a management consulting company for DFJ DragonFund, is the registrant of trademarks "德丰杰龙脉" (DFJ DragonFund in Chinese) and "德丰杰龙脉 DFJ DragonFund" in China.

Since 2014, without authorization, Charles QU (Chinese Name: 曲敬东) and his affiliated companies have been using "德丰杰龙脉" or "新龙脉" (DFJ DragonFund in Chinese or New-Dragon in Chinese) as trademark and trade name to conduct misleading competitive business. Their trademark infringements and unfair competition not only mislead relevant public but also caused heavy damage to DFJ DragonFund. Since Charles and the affiliated companies refused to comply with the Cease and Desist letters, ChangTsi, on behalf of DFJ, filed a civil action against Charles and the affiliated companies before Beijing Haidian District People's Court in 2016.

Ms. Tracy Shen (Partner at Chang Tsi) and her team have conducted a thorough analysis on the trademark infringement case. By combining with necessary administrative compliant measures, they proved the infringing facts and urge its severity. The Court held several court hearings and in 2019 rendered the first instance judgment, confirming that Charles QU and his five affiliates constituted trademark infringement and unfair competition, ordering the defendants to stop trademark infringement and unfair competition, publish statement to eliminate the infringement effects, change their enterprise names, and compensate DFJ DragonFund damages of CNY 2.8 Million and reasonable cost around CNY 470,000 jointly. Charles QU and his affiliates appealed to Beijing Intellectual Property Court and DFJ DragonFund asked ChangTsi to move on with the second instance. With efforts, the Appellate Court confirmed Taobao Company was found to be jointly liable for repeated and continuous infringement for

failing to take adequate measures to end the infringement.

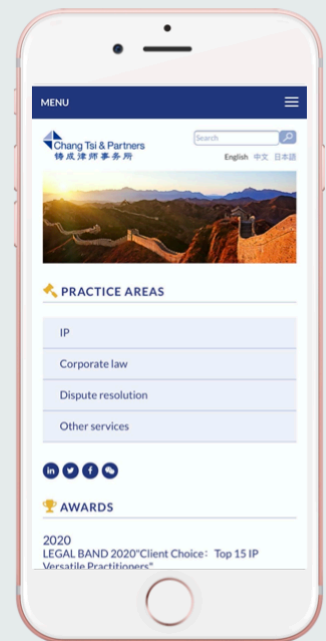
According to Article 45 of the new E-Commerce Law, "knowing or should know that the operators in the platform violate IP rights" and "not taking necessary measures" are the bases when judging whether the platform should be jointly liable for infringement. If the platform receives a notification from the rights owner but does not take effective measures to stop the infringement, the platform would be considered as "knowing" of the infringement.

"Should know" emphasizes the platform's duty to pay attention to these issues. For example, failure to establish rules for the protection of IP rights, failure to verify the qualifications of operators such as "flagship store" and "specialty store," etc., would be considered as a failure to perform the duty of attention obligations. In that case, the platform would be liable for infringement.

Chang Tsi & Partners is a leading full-service Chinese law firm with a strong reputation in intellectual property and litigation. Established in 2002, Chang Tsi & Partners always integrates legal solutions and peace of mind in China's competitive and turbulent market.

Visit our website for more information.

www.changtsi.com



A Legislative Milestone in Hong Kong Trademark Law

Hong Kong, trademark prosecution and litigation cases are regulated by Trade Marks Ordinance, Chapter 559 and Trade Marks Rules, Chapter 559A, which constitute the major source of law regarding trademarks.

An amendment of the Trade Marks Ordinance was gazette on 19.6.2020, except Section 5 and Part 4 of the amendment concerning Hong Kong becoming one of the Contracting Parties in Madrid Protocol. This must be a legislative milestone in Hong Kong trademark Law

For the moment, the Madrid Union has 107 members, covering 123 countries. These members represent more than 80% of world trade, including China, USA, UK and many other major trading partners of Hong Kong.

We can expect that the implementation of the Madrid Protocol in Hong Kong will not only enable more and more individuals and incorporations in other jurisdictions to seek their trademark protection in Hong Kong, but can also reinforce Hong Kong as an ideal place of conducting commercial activities and intellectual property trading. It is predictable that trademark will be a scarce resource in Hong Kong, especially in the field of food, beverage, clothing, cosmetics, medicines, FMCG (Fast-moving consumer goods), and so on.

According to the update of HKIPD, the international registration system plans to be implemented in Hong Kong SAR in 2022-2023 the earliest.

Chang Tsi & Partners is pleased to announce that Mr. Lester Li has joined our firm. He will practice in the trademark contentious cases in Hong Kong.

Lester Li, trademark agent, starts his career in Intellectual Property since 2013. He used to work in a local Hong Kong IP firm, underwent the comprehensive training of former Examiner of Hong Kong Intellectual Property Department and

gained vast experiences in trademark prosecution in Hong Kong. He ever provided services for many well-known giants such as Lee Kum Kee, Chow Sang Sang and Nissin Foods.

Chang Tsi & Partners has been helping clients filing trademark applications and maintaining trademark registrations in Hong Kong for these years. Our clients are over 500 of the world's leading organizations, from a wide range of sectors. We would be happy to show you the difference we make now and in the future.

Foreign Filing License in China

Only innovations fully or partially made in China requires a Foreign Filing License from the Chinese Patent Office before filing outside China regardless the citizenship or residency of inventors.

Unlike the US, the Chinese Foreign Filing License requirements do not apply to design patent applications.

As an overview, there are three possible approaches to get Foreign Filing License ("FFL") in China for innovations made in China.

Approach 1 - PCT

We file a PCT application in English or Chinese at the Chinese Receiving Office, which is deemed that we file a Request for Foreign Filing License "FFL" at the same time.

Time

It takes 2-4 weeks to get the result of FFL after we file the PCT application. If we pass the FFL, the Chinese Receiving Office will transmit the PCT to the International Bureau, which can be learned from form PCT/RO/105.

Fees

If we do not want this PCT application to go forward, we do not need to pay any government fees. However, we can still claim the priority of this PCT in a later application.

Chang Tsi Newsletter

If we do want to keep this application, we need to pay all the fees associated with filing a PCT.

Approach 2 - just a request for FFL

A description of the technical solution in Chinese is required to apply for FFL through this approach before the Chinese Patent Office.

Time

It takes 2-4 weeks to get the decision of FFL after we file the request at the Chinese Patent Office.

Fees

There is no government fee. In addition, a translation fee from English into Chinese of the whole description is required, if the specification is in English rather than Chinese.

To be safe, we recommend submitting a technical specification which is identical to the patent application to be filed later.

Approach 3 - Filing a CN Application with FFL Request

The application must be in Chinese language.

Time

It takes 0-2 weeks to get the decision of FFL after we file the patent application at the Chinese Patent Office. Sometimes we got the decision on the same day we filed the request.

Fees

There is no government fee for the FFL request. But we need to pay the government fees for filing the application.

Further, in addition to fees for filing a Chinese patent, a translation fee from English into Chinese might also be needed, if a specification is in English rather than Chinese.

Expedited FFL available before the USPTO is not available in China.

Chang Tsi Assistance for Tibet has Arrived Successfully

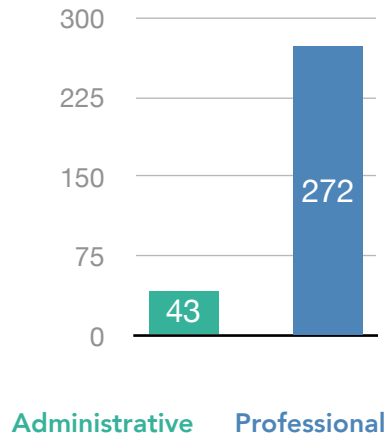
On 31 December 2020, 31 cartons of stationeries, sporting equipment, books and artworks were sent to Zharao Primary School, a local village school located in Tibet. They have confirmed that the assistance had been received recently.

The assistance is part of the "Spring Charity Project", a signature project aiming to support the children suffered from poverty.



Chang Tsi 2020 HR Diversity Snapshot

WORKFORCE

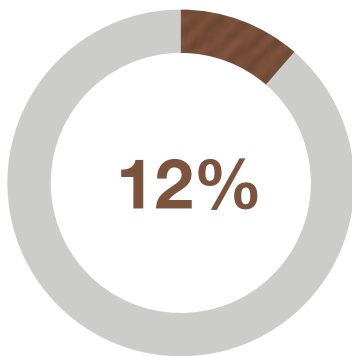


- Chang Tsi & Partners pledges to create an **inclusive workplace** where every employee feel included and valued, and the differences among us contribute to our harmonious culture. From recruitment to promotion, we ensure that everyone is treated equally, regardless of race, sex, nationality, ethnicity or any other status. We are proud of the transparent career paths here at Chang Tsi & Partners.

ETHNIC MINORITIES

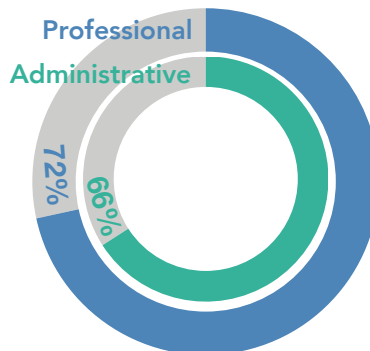
Representation of Minorities in Management Team

(Zhuang, Manchu, Korean, Mongolian, etc.)

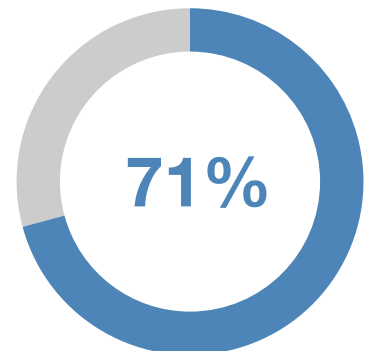


GENDER

Percentage of Women by category

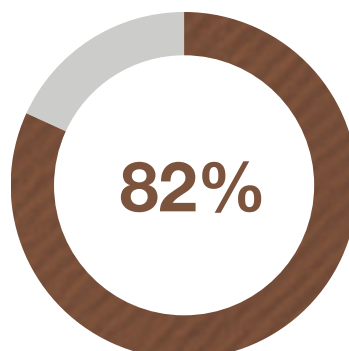


Overall Representation of women

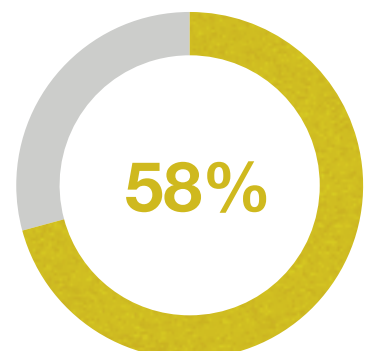


MANAGEMENT

Percentage of Female Directors and Managers



Percentage of Female Partners



DISABILITIES

Number of People with Disabilities

4

* The combined population of minority groups comprises 8.5% of the Chinese population approximately.