

Highlights of January



Chang Tsi & Partners Recognized by Chambers Greater China 2022

Chambers and Partners has recently released its annual ranking report - Chambers Greater China 2022, recognizing Chang Tsi & Partners and its lawyers for excellence in the practice areas of IP.

Chang Tsi & Partners Recognized by The Legal 500

The Legal 500 has recently released its annual guide, recommending Chang Tsi & Partners in two practice areas: Intellectual Property (Contentious) and Intellectual Property (Non-Contentious).

Spring Chang Invited to the TM5 Annual Meeting 2021

On 5 Nov 2021, Ms. Spring Chang, representing the Chinese legal industry, was invited to the TM5 Annual Meeting 2021 held by the world five largest intellectual property (IP) offices and WIPO.

Spring Chang Recognised as China's Top 100 Lawyers

China Business Law Journal has recently recognised Spring Chang as China's Top 100 Lawyers for her expertise in intellectual property.

CNIPA Released Updated Guidelines for Trademark Examination and Trial

China's National Intellectual Property Administration (CNIPA) released the updated Guidelines for Trademark Examination and Trial

on November 22, 2021, effective January 1, 2022. The updated Guidelines will hopefully further reduce trademark squatting in China.

Changxing vs. Botou Huateng Factory and Zhuoyue Store on Unfair Competition

This case is a representative case of unfair competition involving infringement of product name and trade dress (distinctive product name, packaging, and trade dress that have certain influence).

Holiday Notice

Our office and IP Administration in regions below will be closed for Chinese New Year as follows:

Mainland, China: 31 January - 6 February 2022

Taiwan: 31 January - 6 February 2022

Hong Kong: 1-3 February 2022

Macao: 1-3 February 2022

All deadlines falling on a holiday will be automatically extended. Should you have any urgent cases, please let us have your instructions ahead of the holidays.

Chang Tsi & Partners Recognized by Chambers Greater China 2022

Chambers and Partners has recently released its annual ranking report - Chambers Greater China 2022, recognizing Chang Tsi & Partners and its lawyers for excellence in the practice areas of IP.

Chang Tsi & Partners has been listed in both Intellectual Property: Litigation and Intellectual Property: Non-Litigation as a leading Chinese law firm. Highlighted by Chambers and Partners, Chang Tsi & Partners *"fields a solid practice with expertise in trade mark and patent enforcement and prosecution matters. Remains a popular choice among multinational consumer goods brands and well-known technology companies"*. In the interview, one client underlines the team's *"very well-structured and service-oriented professionals,"* further stating: *"They provide an excellent service within time and clear communications."*

Spring Chang, Founding Partner of Chang Tsi & Partners, has been also ranked as Band 1 in Intellectual Property (non-litigation). The Guide emphasized that Spring Chang is widely recognised for her practice in trade marks. She has particular expertise in protection and invalidation work. She is lauded by clients, with one saying: *"She is a real asset. She is very knowledgeable and very hands-on. Even though she is the founder of the firm, she would touch upon everything with the client. I am very surprised how involved she is."*

The Chambers rankings are based on in-depth analysis, facilitated by our team of experienced researchers. Chambers rankings offer reliable recommendations on the best law firms and lawyers in Asia-Pacific, providing you with the information necessary to make an informed decision when buying legal services.

Chang Tsi & Partners Recognized by The Legal 500



The Legal 500 has recently released its annual guide - The Legal 500 Asia Pacific 2022, recommending the top-tier law firms in different practice areas. Chang Tsi & Partners has been recognized in two practice areas: Intellectual Property (Contentious) and Intellectual Property (Non-Contentious).

Commented by The Legal 500, Chang Tsi & Partners 'maintains a well appreciated global outlook' in advising clients on all elements of IP law; the firm is instructed by numerous multinational companies to protect their interests in China. The group has a particularly strong roster of fashion and sports brands, which it assists with all elements of trademark protection; this

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includes well-known names such as Under Armour, Michael Kors and Vans.

The guide also mentions Simon Tsi as one of the firm's primary litigators who works with private companies and State-owned enterprises on trademark infringement and unfair competition cases. On the non-contentious side, founding partner Spring Chang is mentioned as a leading lawyer and a trademark agent and assists clients from the pharmaceutical, electronics and consumer products industries. In addition, **Litian Xu, Kim Lu, David Lee, Tracy Shen, Michael Fu, Yan Gao, Nancy Qu, Michael Wu and Wendy Wu are mentioned as key lawyers by The Legal 500.**

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.

Spring Chang Recognised as China's Top 100 Lawyers

In January 2022, China Business Law Journal issued its annual publication - The A-List: Elite Lawyers for China Practice. Spring Chang, Founding Partner of Chang Tsi & Partners, has been recognised as the leading lawyer in the field of Intellectual Property.

Based on research conducted by China Business Law Journal, 100 practitioners of Chinese law and 100 international lawyers committed to China-related businesses were selected after meticulous research from more than 2,000 nominations from across the globe.

Spring Chang has been regularly ranked as the only trademark lawyer in the Band 1 tier of Chambers and Partners' Chinese legal listings - the publication praises her "great judgment" and "wealth of experience in serving well-known multinationals". Chang has earned an international reputation for creativity and efficiency during more than two decades of practice.



Recognised as an Elite Practitioner by Asia Law Leading Lawyers as well as one of the Influential Women in IP and Best Women Lawyers in China by WIPR and Thomson Reuters ALB, Chang is also a competent public speaker and lecturer who has been invited constantly by renowned legal associations worldwide such as INTA, AIPLA, AIPPI, PLI and ABA to share her knowledge and insights with global legal experts.

CNIPA Released Updated Guidelines for Trademark Examination and Trial

Ron Tsi | *Attorney at Law*

China's National Intellectual Property Administration (CNIPA) released the updated Guidelines for Trademark Examination and Trial on November 22, 2021, effective January 1, 2022. The updated Guidelines will hopefully further reduce trademark squatting in China.

According to the Guidelines, following factors are taken into consideration for trademark examination and trial.

- (1) The number of trademark registration applications is huge, which obviously exceeds the requirements of normal business activities, lacks real intention to use, and disrupts the order of trademark registration.
- (2) A large number of copies, imitations, or plagiarisms of multiple subjects' prior trademarks with a certain degree of popularity or strong distinctiveness, disrupting the order of trademark registration.
- (3) Repeated applications for registration of a specific trademark with a certain degree of popularity or strong distinctiveness for the same subject, disrupting the order of trademark registration.

If such repeated application for registration is a malicious registration situation regulated by other provisions of the Trademark Law, other provisions shall apply.

- (4) A large number of applications for registration are the same as those of others' business names, abbreviations of business names, e-commerce names, domain names,

product names, packaging, and decorations that have a certain impact, or other well-known and identifying slogans, designs and other commercial logos.

- (5) A large number of applications for registration are identical or similar to public cultural resources such as the name of a well-known person, a well-known work or role, or a well-known and recognizable art work of others.

- (6) A large number of applications for registration are identical or similar to the names of administrative divisions, mountains and rivers, scenic spots, and buildings.

- (7) A large number of applications for registration of generic names, industry terms, or signs that directly indicate the quality, main raw materials, functions, uses, weight, and quantity of the goods or services that lack distinctiveness.

- (8) Submitting a large number of trademark registration applications and transferring a large number of trademarks, and the assignees are scattered, which disrupts the order of trademark registration.

- (9) The applicant has sold in large quantities for the purpose of seeking improper interests, forced commercial cooperation from the previous user of the trademark or others, demanded high transfer fees, license fees or infringement compensation, etc.

- (10) Other circumstances that can be deemed malicious in applying for trademark registration.

Changxing vs. Botou Huateng Factory and Zhuoyue Store on Unfair Competition

Nancy Qu | Partner

This case is a representative case of unfair competition involving infringement of product name and trade dress (distinctive product name, packaging, and trade dress that have certain influence).

The plaintiff in the first instance (hereinafter referred to as "Changxing") was established in 2001 and is a high-tech company specializing in the research and development, production and sales of thread-connection sealing materials. Since May 2018, Changxing Company has started to use "三圈" (San-Quan, Three-Circle in Chinese), "三圈带" (San-Quan Tape) and "三圈密封带" (San-Quan Sealing Tape) as the names of the new type of thread-connection pipe sealing tape, and the red-letter "三圈" (San-Quan) as the special trade dress of packaging materials for publicity, and promote the product through the official website, WeChat customer service, Douyin, Taobao platforms, as well as intensive participation in offline exhibitions, on-site promotion in various provinces and cities. After the high-density use and promotion of Changxing, the "三圈" (San-Quan) sealing tape has gained a high reputation in the field of thread-connection sealing tape. Before April 2019, the products have been sold to more than 150 cities across the country.

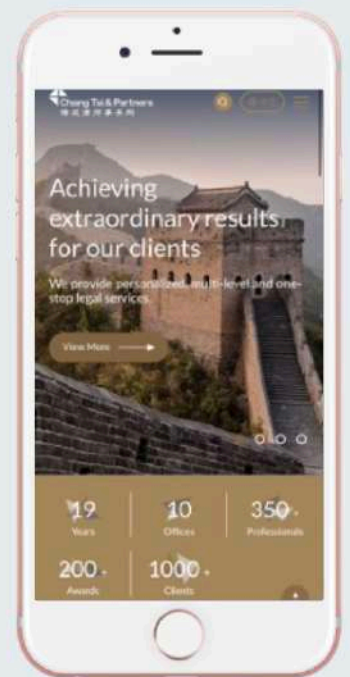
The defendant in the first instance Botou Huateng Sealing Material Factory (hereinafter referred to as Huateng) is an individual industrial and commercial household established in 2019 and also located in

Hebei Province. Huateng Factory's operator Lu Wenbo began to promote and sell "升级版三圈密封带" (Upgraded San-Quan Sealing Tape) in his WeChat moment in April 2019. It competed with the plaintiff's products across the country with inferior and low-priced products, seizing the plaintiff's market, and causing confusion and misunderstanding of the source of the goods by consumers and businesses.

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



The defendant in the first instance, the Zhuoyue Hardware Business Department (hereinafter referred to as the Zhuoyue) is an individual industrial and commercial household in Tiexi District, Shenyang City, Liaoning Province, mainly engaged in the

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retail and wholesale of hardware and building materials, and sold infringing products produced by the defendant Huateng in the store.

Nancy Qu's team of Chang Tsi & Partners (hereinafter referred to as "Qu'team"), after engagement, thoroughly studied the case, analyzed the requirements of Changxing, proposed the litigation strategy based on the feedback of Changxing, complete the high-density evidence collection within about one month, and file a lawsuit to the Shenyang Intermediate People's Court on November 27, 2020. During litigation, Qu's team communicated closely with Changxing, constantly supplemented and collected evidence in response to the development of Changxing's brand promotion and Huateng's continued malicious infringement, drafted detailed agency opinions and cross-examination opinions, promoted Changxing's general manager to appear in court to tell the court clearly the story of the "三圈" (San-Quan) brand development and point out Huateng's negative personality. Qu explained that the "三圈" (San-Quan) name and the red-letter "三圈" (San-Quan) trade dress have the function of influencing and

identifying the source of the goods from a legal perspective and point out that Huateng's actions constituted malicious attachment and unfair competition that affected the name and trade dress of the product to a certain extent, eventually persuaded the court of first instance to support the plaintiff's claims, including stopping unfair competition, apology for publication, and compensation RMB 650,000 for losses. During the second instance trial, Qu's team continued to provide evidence against the plaintiff's continuing malicious infringement, actively communicated with the court, appeared in court with the general manager of the client and cooperated with each other, and successfully persuaded the second instance court to reject the appeal and maintain the original judgment.

The verdict determined that "三圈" (San-Quan) constitutes a certain influential product name, the red-letter "三圈" (San-Quan) trade dress constitutes a distinctive trade dress with certain influence, which effectively protects the "三圈" (San-Quan) brand that customers have worked hard to manage in the case where the customer's "三

New Year Appreciation Talk at Chang Tsi & Partners

The New Year Appreciation Tea Talk was held on 31 December 2021 for all employees of Chang Tsi & Partners to share their experience and stories and to appreciate each other in the fruitful 2021. Simon Tsi, Managing Partner of Chang Tsi & Partners, expressed his strong appreciation and warm wishes on New Year to all the employees and friends.

This Tea Talk was held in all offices of Chang Tsi & Partners around the world. All employees, senior and junior, were invited to share their "Story of 2021", and enjoy the end-year event with games, festivities, presents, good food, beautiful lights and our friends.

Established in 2002, Chang Tsi & Partners is celebrating its 20th anniversary. We are proud of our history and honored to have earned the trust of clients and friends globally. With support of our staff and friends, we look forward to working with our clients in the next 20 years.

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圈" (San-Quan) text mark has not yet been registered, and also laid a solid foundation for combating clinging behavior in the field of thread-connection pipe sealing tape and will helping the customer's "三圈" (San-Quan) word mark to be registered.

In the case that the customer has not yet obtained trademark registration for the "三圈"(San-Quan) text, and the product has been severely counterfeited after being introduced to the market for only ten months, successfully protected the unregistered "三圈"(San-Quan) through the product names and decorations that have certain influence trademark. This case created a good precedent for the determination of "distinctive product name, packaging, and trade dress that have certain influence" under the framework of the Anti-Unfair Competition Law. The court of first instance and second instance flexibly used the judicial spirit of Article 1 Paragraph 1 of the "Interpretation of the Supreme People's Court on Several Issues Concerning the Application of Law in

the Trial of Civil Cases of Unfair Competition" regarding the consideration of factors for identifying well-known commodities, through comprehensive consideration of the plaintiff's product sales time, area, sales and sales target, the duration, degree and geographical scope of the promotion, as well as the apparent maliciousness of the defendant's actions, the plaintiff's "三圈"(San-Quan) name and the red-letter "三圈"(San-Quan) trade dress were provided a strong protection.

The judgment in this case greatly encouraged SMEs to cultivate their own brands, cracked down on free-riding and free-riding behavior, reflected the judicial policy of providing strong protection of intellectual property rights, and had a very positive impact on the creation of an honest and trustworthy business environment.

