

Newsletter | August 2020 | Issued by Chang Tsi & Partners | www.changtsi.com

# Highlights of August



### Managing Partner Simon Tsi Honored as "2020 Client Choice: Top 15 Intellectual Property Versatile Practitioners"

LEGALBAND, a well-known legal rating agency under Accurate Media Group has recently honored Simon Tsi, Managing Partner of Chang Tsi & Partners, as "2020 Client Choice: Top 15 Intellectual Property Versatile Practitioners". With 27 years of abundant professional experience and his high reputation among clients, Simon Tsi always offers his clients deep expertise and successful legal solutions.

#### "Under Armour" Won "Uncle Martian" in Trademark Infringement in China

Chang Tsi & Partners represented UNDER ARMOUR, INC. in an influential trademark infringement and unfair competition case in China and won in the final judgment.

For a long time, fake brands have been infringing the intellectual property rights of the owners of wellknown brands, e.g., Uncle Martian. With fake names, imitated appearances and lower prices, the copycat products may always work on the edge of the law and continue to make high profits in the end market.

To better protect the rights of our clients, Chang Tsi & Partners pledges to continuously improve ourselves seeking for a higher standard of legal service.

### Chinese IP Data for the First Half of the Year 2020

China National Intellectual Property Administration (CNIPA) has recently released the semi-annual application data, announcing that it has received 683,000 patent applications and over 4 million trademark applications from January to June.

Remarkably, The Madrid System received 3,875 Chinese applications, indicating a rapid rise.





#### Managing Partner Simon Tsi Honored as "2020 Client Choice: Top 15 Intellectual Property Versatile Practitioners"

This month, we have good news to share with you -Simon Tsi (Managing Partner of Chang Tsi & Partners) was awarded "2020 Client Choice: Top 15 Intellectual Property Versatile Practitioners" with his 27 years of abundant professional experience and his high reputation among clients by LEGALBAND.

As a well-known legal rating agency under Accurate Media Group, LEGALBAND provides in-depth knowledge related to Asian legal market through publishing articles, reports and guidebooks on a regular basis. The research team of LEGALBAND is well known for its thorough understanding on legal service market for its extensive knowledge and experience in professional fields. The major roles that LEGALBAND play are evaluating law firms and lawyers via carefully designed rating systems together with research programs, and recommending legal elites in legal fields for both internal corporate legal advisers and individuals. LEGALBAND, therefore, has been a trusted legal guide for clients who need excellent law firms and lawyers.

Simon Tsi has 27 years of practice experience, mostly specialized in 1) intellectual property, 2) litigation & arbitration, and 3) corporate law. With his highlyexperienced skills, Mr. Tsi has handled many complicated cases, particularly, petitions, retrials, and crisis management for enterprises.

#### **Representative Cases**

1. Michael Kors v. Shantou Chenghai jianfa Handbag Craft Factory (2020)

Simon Tsi won the second instance of a trademark infringement case on behalf of Michael Kors (defendant), wherein all claims by Shantou Handbag Factory (plaintiff) were rejected. This case was awarded "2019 Top 50 Intellectual Property Typical Cases" by The Supreme People's Court of China, and "2019 Top 10 Intellectual Property Typical Cases" by Zhejiang Court and Hangzhou Court.

#### 2. Sketchers v. Spieth & Wensky (2019)

Mr. Tsi represented Sketchers in a claim for trademark infringement and the final decision in court was reported by Managing Intellectual Property, China Intellectual Property News, China Industry & Commerce News and Beijing Business Today.

#### 3. Under Armour v. Fujian Ting Fei Long (2017)

Mr. Tsi represented Under Armour in a claim for trademark infringement and unfair competition. The case was chosen as "2017-2018 Excellent Trademark Enforcement Cases" by the Chinese Trademark Association, and was reported by foreign media Law360. To solve the issue, he persuaded the IP tribunal of Fujian Provincial High People's Court to issue a second preliminary injunction in history.

### "Under Armour" Won "Uncle Martian" in Trademark Infringement in China

In June 2020, the second Instance of Under Armour, Inc. vs Fujian Ting Fei Long Sports Products Co., Ltd Case regarding trademark infringement and unfair competition handled by Chang Tsi & Partners on behalf of Under Armour, Inc., was concluded by the Supreme People's Court of The People's Republic of China (thereafter referred to as "the Supreme Court").

The Supreme Court issued its final judgment for this Case, where it rejected all the appeal claims made by Fujian Ting Fei Long Sports Products Co., Ltd (thereafter referred to as "TFL") and upheld the firstinstance judgment made by the first-instance court, i.e. the People's Higher Court of Fujian Province of the People's Republic of China (thereafter referred to as "Fujian Higher Court"), where TFL was ordered to cease the infringement, to destroy infringing samples, brochures, posters and business cards, to publish a statement on Sina.com to eliminate the adverse impact, and to compensate Under Armour, Inc. for damages including reasonable expenses at CNY 2 million. This Case has attracted much attention from many international media including The New York Times and The Wall Street Journal. Chang Tsi & Partners not only successfully helped Under Armour, Inc. in obtaining the preliminary injunction in the first instance, but also eventually won in the second instance of this Case.

Under Armour, Inc., a leading company in the field of performance sportswear, always spare no effort to take all possible commercial and legal means to safeguard its rights worldwide. Chang Tsi & Partners represented this Case and won in the second instance, marking the success of Under Armour's brand protection strategy. Meanwhile, due to the high influence of this Case, the public is aware that the current IP infringement cases in China are more complex than before, which can also be used by the peers as an important reference in identifying complex IP infringement cases in China.

For a long time, fake brands have been infringing the intellectual property rights of the owners of wellknown brands, e.g., Uncle Martian. Through running such fake brands, infringing manufacturers gain profits in a short period of time, squeeze the market share of other famous international brands, and damage the international image of "Made in China". Except in some big first-tier cities where people have a clear perception of brands, in the rest of the cities and towns in China, especially, fake brands are breeding and spreading. With fake names , imitated appearances and lower prices, the copycat products may always work on the edge of the law and continue to make high profits in the end market.

However, consumers' attitude towards copycat products and their own consumption choice will influence each other. Only when consumers understand and recognize more about the value of creativeness and intellectual property, China's national brands will develop better. This is the reason why Chang Tsi & Partners has been working so hard for 18 years in the field of intellectual property in China. The above reason also drives Chang Tsi & Partners to continuously improve ourselves seeking for a higher standard to protect the rights of the clients with a high-quality service.

### 52.33%

### Chang Tsi & Partners Recognized as Top 10 Agencies for Trademark Opposition with Highest Win Rate

Among 27,490 decisions issued by the China Trademark Office, 26,636 oppositions were filed via agencies. 39.73% of the filed oppositions succeeded, indicating the average success rate. By contrast, the success rate of Chang Tsi & Partners was 52.33%, ranking the first among all listed agencies. (Source: CHATM.com)

### Chinese IP Data for the First Half of the Year 2020

China National Intellectual Property Administration (CNIPA) has recently released the semi-annual application data. We would like to share some information which might be helpful.

#### **Patent Application**

According to CNIPA, it has received 683,000 patent applications for the first half of the year 2020. Among these applications, 404,000 applications were filed by domestic enterprises.

Remarkably, 29,500 PCT applications has been filed, and there are 20.7% more domestic applicants compared with last year. The Top 3 provinces or cities where most PCT international applications have been filed are Guangdong, Beijing and Jiangsu.



The above data indicate that Chinese enterprises have paid more attention to the protection of their rights and reputation through international patent application.

In addition, the average time period of application review has been shorten, from 22.7 months (2019) to 22.3 months

#### **Trademark Application**

CNIPA has received over 4 million trademark applications from January to June. Considering the pandemic of COVID-19, it is indeed a remarkable amount.

Among 4.284 million trademark applications, 2.629 millions were registered. The total amount of

registered trademarks in China has therefore reached 27.414 millions.



CNIPA also emphasised the rapid rise of the amounts of Madrid applications in China. Chinese applicants have filed 3,875 Madrid applications for the first half of the year, showing a 36% increase compared with last year.

## Securing Your Rights in a Changing China!

Chang Tsi & Partners is a leading fullservice 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.

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