

Brand Protection in China

Posted on 25/11/2009 by [Philip Thoreau](#)

In China, good brand protection is vital for business protection. If you use your brand in China without registering it as a trade mark somebody else might use your brand with relative impunity. Worse, they could register it and potentially prevent you continuing to use your own brand. They could export product under the brand which may harm your own markets and cause you a need for expensive remedies, if you have rights in those markets, or those other traders may be seen to be stealing those rights from you if you do not have registration of your home brands in your home market.

What is a brand?

A brand is any sign used by a business to identify its products and services and distinguish them from the products and services of others. It could be a word, a phrase, a symbol, a design, a combination of colours, a group of letters or numbers or a combination of any of these. The primary purpose of a brand is to ensure consumers are aware of the source or origin of your product or service.

How are brands protected in China?

Your New Zealand patent attorney should register your brands with the China Trade Mark Office. China's system for protecting brands is based on a "first to file" principle. This is very difficult to understand for New Zealand, Australia, the United Kingdom and other traditional markets. Simply using a brand does not give you any enforceable rights. It is the first organisation to file an application to register the brand that will have the right. If this happens to you, often the only response is to establish another brand, a costly, unwanted and unrewarding step. To establish legal right and prevent others using your brand, it is necessary to register the brand in China. Brands are registered in relation to particular goods or services. There are 45 different classes of goods and services and the owner must apply separately for registration in each class for which protection is sought. You should also select, use and register a Chinese language version of your brand. You will control the use of your brand in the Chinese market. Otherwise, the market will select its own Chinese language version and it may not convey the brand message you wish to convey. The selection of the Chinese version of your brand is a specialist job for your patent attorney.

How long does registration take?

It generally takes 18 months from the date of the application for the China Trade Marks Office to accept an application. After the brand is accepted for registration, the acceptance is advertised. A three month opposition period follows during which the public has the right to challenge the application. If no

opposition is made, the China Trade Mark Office will issue a certificate of registration. The registration will last for an initial period of ten years and is renewable thereafter indefinitely.

Is my brand registrable?

The China Trade Mark Office does not register all brands. In particular, it will not register brands which are:

- identical with or similar to prior registered brands for the same or similar goods or services; or
- purely descriptive of characteristics, quality, place of origin of the goods or services.

Can I license my brand?

It is possible to license a brand. A brand's licence must be recorded within three months of establishment of the licensed contract.

What should I do if my brand is already in use in China but is not registered?

Have your patent attorney register your brand as soon as possible! China's "first to file" system means you will not have any claim to your brand, even if it is well known in China, for a specific product or service until you file an application for

registration in China. A search can be conducted by your Patent Attorney prior to filing to ensure that a competitor has not already registered the same or similar brand. If so, alternative steps are strongly recommended.

What are the costs?

The cost of registering a brand in China for a specific product or service is around NZ \$3,500 assuming there are no significant problems. Approximately NZ \$1,700 to NZ \$2,000 of this will be incurred at the outset as filing fees. However, the costs can vary depending on your circumstances and need for brand protection and your patent attorney can provide accurate cost estimates once your requirements have been assessed. It is self evident that especially in China the cost of protection is a mere fraction of the enforcement costs should you not have a registered brand. Trade mark registrations in China, as elsewhere, are strong deterrents to unauthorised use and reduce the need for costly and protracted defence of your own position, including where infringement or counterfeiting is found.

Where registered trade marks exist and are identified, in most cases, our experience is that copiers stay clear and copy your competitor's less well protected products. Should enforcement against an infringer be needed, showing that brands are registered usually leads to a more economical exercise compared to a situation where the rights are not registered.

Registered trade marks in China are as much a defensive deterrent as an offensive tool. You should at least talk to your patent attorney and together look at the options before exposing your brand to the vibrant but dangerous market in China.

Recommendations

- Register your brands in China before releasing information about your product, or marketing your product in China.
- Develop and register a Chinese language version. If you do not create a Chinese brand, the market will create a Chinese "nickname" for your product. You may not like the nickname or alternatively someone else in China may register it in their own name, forcing you to choose another brand.
- Register your brands in neighbouring countries such as Hong Kong and Macau both for potential expansion and to prevent others registering marks to use on products consumers may confuse with yours.