CITMA

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Dear Sirs
尊敬的先生们：

Attention: State Intellectual Property Office
致国家知识产权局

We write to you as Tania Clark, the President of the Chartered Institute of Trade Mark Attorneys, and Catherine Wolfe, a Past President of the Institute of Trade Mark Attorneys, who wrote to you on 6 February 2014. It is the same body: the Institute of Trade Mark Attorneys was granted a Royal Charter in 2016 and became the Chartered Institute of Trade Mark Attorneys. We are the professional body for Trade Mark Attorneys in the United Kingdom. Our website is at

www.citma.org.uk.

谨此代表英国特许商标代理人协会（Chartered Institute of Trade Mark Attorneys）会长 Tania Clark 及前英国商标代理人协会（Institute of Trade Mark Attorneys）会长 Catherine Wolfe 致函贵司。这两个协会实为同一机构，Catherine Wolfe 会长曾于 2014 年 2 月 6 日致函贵司。商标代理人协会于 2016 年获颁皇家特许状后，成为特许商标代理人协会。我们是英国商标代理人的专业机构。我们的网址为：

www.citma.org.uk.

We were very glad to learn of the Trade Mark law consultation. We know that the desire is to promote trade and justice. We have 8 suggestions, many of which are interconnected, which we believe will assist in bringing a balanced system.
获悉《商标法》正在征求意见，我们非常高兴。我们知道其目的是促进贸易、维护公平正义。因此，我们提出了 8 项建议，其中不少建议是彼此关联的。我们相信这些建议将有助于打造一个平衡的体系。

In this respect, we note that China has recently raised the penalties of counterfeiting and infringement. This could be excellent but, with respect, this is one half of the issue: it is “one of the two hands”. If a registration is wrongfully obtained, then more severe penalties give greater power to the fraudulent owner, and greater distress to the true owner, who may well react by ceasing to manufacture in China and criticising the Chinese system.
在这方面，我们注意到中国最近加大了对假冒和侵权的处罚力度。此举可能意义重大，但恕我直言，它只解决了问题的一个方面，还有一个方面是不可忽视的。如果有人以不正当手段获得了注册商标，那么处罚力度越重，这些欺诈手段获得商标的所有人所享受的权力就越大，而真正的所有人受到的损失就越大，这样很可能导致他们不再在中国制造业，批评中国制度。

It is therefore imperative that steps are taken to ensure that it is the true owner who secures the strong rights.
因此，一定要采取措施，确保真正的所有人能够享有充分的权利。

Otherwise, the well-intentioned step, of increasing penalties and enforcement, does not only punish the counterfeiter: it also punishes the true owner whose own marks have been wrongfully obtained by a third party. It is therefore critical that the correct balance is restored. All of our suggestions below here are therefore made with that desire, which we are sure is also the desire of the CTMO.

We summarise our points here and shall discuss them below in further detail:-

1) Suspension of applications which have met blocking citations which are then attacked. This creates imbalance and arbitrary results. The solution does not require the abolition of ex officio prior rights issues: it simply needs a return to the suspension system.

2) Longer response times : to enable parties to give the full picture to each other and to the CTMO or the TRAB

3) Counterstatements : to ensure that an applicant must properly engage in the process

4) Opposition/invalidation on grounds of bad faith

5) Criteria for being “well-known” to be reassessed : we submit that proving “well-known” throughout China is too high a burden. This is relevant in oppositions/invalidations and also in the issue of acquired distinctiveness.

6) Application fees at an appropriate level – not too low or too high. We appreciate that the number of filings is constantly increasing. This is not necessarily good for China or for trade, especially when there are re-filings in light of (1) above

7) The sub-class system is globally anomalous and we gratefully note the gradual move towards a more holistic approach.

8) We ask whether perhaps protection for retail services might be considered, soon?

First, our clients have encountered great uncertainty at the CTMO’s recent refusal to suspend Trade Mark applications which have received a provisional refusal on grounds of a prior blocking citation, which registration the Applicant then applies to cancel. In such a case, many other Registries would suspend the examination of the application. However in China, the application can still be refused on the basis of that attacked citation, even if the attack is successful and the cited registration ceases to exist.

Therefore the Applicant must both attack the citation, and file his application again. However, the Registrant of the citation might also file his mark again in an attempt to gain back rights that should have been lost. This can happen a number of times, as re-filing a mark for goods/services which have been cancelled as a means of circumventing the use requirements does not currently seem to constitute bad faith. The ultimate victor in this matter is therefore arbitrary – it all depends on when the marks were refiled and when they were examined.

This also increases the burden on the CTMO, because it increases the number of applications, and does not assist trade.

We urge the CTMO to return to its prior practice, shared by so many Registries, of suspending an application whilst its citation's attack (by the applicant) is ongoing.

Second, with respect, 15 days is too short a deadline for Registry correspondence, and it is globally anomalous. The UK-IPO and the EUIPO both operate two-month deadlines. Please note that it can take time for an attorney to obtain confirmed instructions from a Client, especially if advice or discussion is needed or the period covers a national holiday in the country of the client or the attorney (which might not be the same). Moreover, it can take time for a Chinese attorney to correspond with his overseas instructing attorney, who must himself seek instructions from his Client, who might himself need to discuss the matter with the marketing manager within the Applicant company. Then the instructions must filter back through the chain to the Chinese attorney, and then to the Chinese Registry. 15 days is extremely short, even if everyone is able to correspond on the very day of receipt. It also places a considerable burden on Chinese attorneys, who in many cases must report to clients and/or overseas instructing attorneys who are not accustomed to such a short deadline, resulting in an unfair and inaccurate perception that Chinese attorneys do not report promptly.

We would be grateful if the Chinese Registry could please set a two-month response term, akin to the UK-IPO and the EUIPO.

In 2014 we conducted some research, for your interest, about the general time limits which are operated in other Registries and these are as follows – please note that none is as short as 15 days, and all are measured in months:-

Australia – 15 months
澳大利亚-15个月
Brazil – 60 days
巴西-60日
Canada – 6 months
加拿大-6个月
EUIPO – 2 months
欧盟共同体商标 -2个月
Hong Kong – 2 months
香港 -2个月
Indonesia – 2 months
印度尼西亚-2个月
Japan – 3 months
日本-3个月
Malaysia – 2 months
马来西亚-2个月
Mexico – 4 months
墨西哥-4个月
Philippines – 2 months
菲律宾-2个月
Russia – 2 months
俄罗斯-2个月
Singapore – 4 months
新加坡-4个月
Turkey – 2 months
土耳其-2个月
UK – 2 months
英国-2个月

Third, we are concerned that the opposition process is not balanced.
第三点 我们担心异议流程不平衡。

We suggest that, when an application is opposed, the Applicant should have to take a mandatory step at an early stage in the opposition proceedings to indicate a continued interest in defending the application. Any such step will help to rebalance the matter between the Opponent, whose rights have been harmed, and the speculative applicant who has, knowingly, filed the mark of another party.
我们的建议是：[illegible]

This early mandatory step could be a Notice of Intent to Defend the Application – either a simple statement on a standard form to confirm a continued interest in the application and an intent to use it across its full specification; or a Counterstatement, as in the UK and Hong Kong, where the Applicant is required to file a form with a series of denials and admissions, in response to the Opposition form and its Statement of Grounds.
此种早期强制性步骤[illegible]

Neither of these options would be a great burden for the Applicant, and it would greatly assist the CTMO because many oppositions would close at an early stage. It would also mean that the Opponent is not put to the burden of full argument and evidence against an

application which is really indefensible: for example an extreme case of bad-faith filing, i.e., where the mark is clearly and undeniably a copy of a graphic image or personal name. We find that our members' Clients are most upset in cases where the situation is apparently self-evident: that is, a personal name or, most obviously of all, a copied graphic or image.

To expand further on this: from the perspective of a UK membership organisation, whose members are accustomed in particular to UK practice, we find that the present opposition system at the Chinese Registry is unusually burdensome for the Opponent. An Applicant needs only to file an application, whilst the Opponent must do all the work to challenge it, even when the Application is a direct copy of the Opponent's marks and is indefensible, and even when the Applicant has no intention of defending his application, and even when the Applicant has a history at the Chinese Registry of filing marks which other parties have successfully opposed or invalidated on grounds of prior rights and bad faith.

We also attach the UK-IPO's own guidelines on oppositions generally, and refer in particular to pages 5 and 6 under the heading "What does the applicant have to do?"

Two additional points arise from this.

Fourth:- We strongly urge the CTMO to give the ability to oppose on grounds of bad faith. This would tie in with Article 6bis. In particular we submit that the early presence of a mark on registries outside China could be one criterion in assessing bad faith.

This suggestion could perhaps be trialled in the special cases where there is a copied logo or a personal name, so that the Applicant's choice cannot be coincidental but can only have been caused by copying: there is no other explanation. Article 15 of the present law addresses this for cases where the parties are or were actually connected to each other, but this has a paradoxical benefit to a fraudulent party: it means that a stranger is not caught by Article 15. This is not balanced.

Fifth:- We submit that asking an owner to show that his mark is well-known throughout China is too high a burden. This is relevant in oppositions/invalidations, and also in the issue of acquired distinctiveness. We urge that the issue of being "well-known" should be limited to being well-known amongst a substantial part of the relevant market.

Sixth:- We also urge the CTMO not again to reduce the application fees. A Registered Trade Mark is a valuable asset and applications for Trade Marks should not be made without thought, or without a real intent to use a mark, or even for the purpose of seeking to extract money from the owner of that same mark in other jurisdictions. Too low a cost makes all

the above more likely. We recommend that a study is done into the price elasticity of Trade Mark application fees and whether the proportion of oppositions has increased following the last reduction. We understand that the number of applications is rising constantly but this is not necessarily good for China, or for trade, especially when parties are having to file and re-file (see 1 above). It is important that the CTMO and TRAB do not lose quality. This is almost impossible if quantity continues to increase. The cost of an application, and the cost of a renewal, are two levers in the hands of the CTMO which are likely to affect the quantity.

第6点 我[illegible]

Seventh : The sub-class system is globally unusual, and though anecdotally we have heard that recently there is sometimes a more holistic approach to the comparison of goods in the TRAB, which is greatly to be encouraged, we do urge that the sub-classes system is phased out.

第7点 子[illegible]

On a related point, we note that the CTMO uses standard terms which are different from WIPO terms, and that in examination an Applicant is asked either to amend to a standard term or to delete his present wording, with no proper opportunity for discussion. This practice is limiting to the Applicant and to the CTMO. We urge that this be made into a two-step response: so the Applicant is allowed to submit reasons for keeping a term as filed, in case it could after all be accepted, before having to choose between deletion of the term or modification to a standard term.

与此相关的一点是 我[illegible]

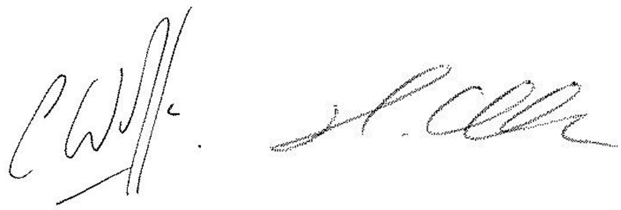
The standard term practice can also cause unexpected issues with Chinese designations of International Registrations. We understand that when a designation is accepted, in fact its specification is expressed in Chinese standard terms which might not quite match the WIPO terms, but this is not made clear to the IR's owner. We urge that the acceptance of designations, just like registration certificates, should identify the specification as it is shown on the Chinese register.

第8点 也是一个相关的[illegible]

Eighth:- Also on a related point, and finally, we ask whether China might soon enable applications to be filed for retail services, which would be welcome to many Trade Mark holders.

Conclusion
总结

We trust these suggestions will be added to the many considerations you have at this time, and we thank you again for enabling us to write to you. Since we are sending this by email, we would be very grateful if you could please confirm receipt.
我们相信这些建议能够成为目前您在考虑的诸多事宜的补充，再次感谢您允许我们致函提出建议。我们以电邮的方式发出此函，烦请您回函确认收到，对此我们将非常感激!



Catherine Wolfe Tania Clark