

Supreme People's Court's Interpretation of Several Issues Relating to Application of Law to Trial of Cases of Civil Dispute Involving Protection of Well-known Marks

(Adopted at the 1467th Meeting of the Adjudication Board of the Supreme People's Court on 22 April 2009 and have entered into force on 1 May 2009)

With a view to protecting well-known marks under the law in hearing cases of civil dispute arising from infringement of the trademark right, this Interpretation has been hereby made under the relevant provisions of the Trademark Law of the People's Republic of China, the Unfair Competition Law of the People's Republic of China, and the Civil Procedure Law of the People's Republic of China.

Article 1 The well-known mark mentioned in this Interpretation shall refer to a mark known to the relevant sector of the public within the territory of China.

Article 2 In the cases of civil dispute as follows, an interested party shall take the well-knownness of a mark as the basis of facts; the people's court shall, if it holds it indeed necessary, establish whether the mark in suit is well-known or not according to the specific circumstances:

(1) Where the trademark right infringement lawsuit is instituted on the ground of violation of the provision of Article 13 of the Trademark Law;

(2) Where the trademark right infringement or unfair competition lawsuit was instituted on the ground that an enterprise name is identical with or similar to its well-known mark; or

(3) Where it is a lawsuit in which defence or counterclaim conforms to the provision of Article 6 of this Interpretation.

Article 3 The people's court shall not examine whether a mark in suit is well-known or not in the cases of civil dispute as follows:

(1) Where the tenability of the act of alleged trademark right infringement or unfair competition is not based on the facts that the mark is well known; or

(2) Where the act of accused trademark right infringement or unfair competition is not tenable for lack of the other necessary elements provided for in the law.

An infringement lawsuit that a plaintiff institutes on the

ground that the domain name a defendant has registered or used is identical with or similar to its registered mark and that the defendant carries on e-commerce transaction of relevant goods using said domain name, and the use is sufficient to mislead the relevant sector of the public shall be treated under (1) of the preceding Article.

Article 4 the people's court shall establish whether a mark is well known or not on the basis of facts proving the well-knownness of the mark by taking comprehensive account of all the factors mentioned in Article 14 of the Trademark Law, except the circumstances under which a trademark is sufficient to be established as a well-known mark without the need for taking account of all the factors as mentioned in this Article according to the specific circumstances of the case.

Article 5 Any interested party claiming a well-known mark shall, according to the specific circumstances of the case, produce the following evidence to prove that its mark was well known when the act of accused trademark right infringement or unfair competition took place:

(1) the market share, region of, profit from, and tax for the sales of the goods in respect of which the mark is used;

(2) the time during which the mark is used;

(3) the mode, duration of time, degree, capital investment and geographical scope of the publicity or promotion activities of the mark;

(4) records of the mark protected as a well-known mark;

(5) reputation of the mark in the market; and

(6) any other facts proving that the mark is well known.

The time, scope and mode of use of a mark mentioned in the preceding Article shall include the continued use of the mark used before its approval for registration.

The people's court shall objectively and comprehensively examine, on the basis of other evidence for establishing well-known mark, the evidence showing the length of time when

the mark has been used, its place on top of a list in the industry, market survey reports, market value evaluation report and whether the mark was once established as well known.

Article 6 Where a plaintiff institutes a civil lawsuit on the ground that the use of a mark in suit has infringed its exclusive right to use its registered mark or that the defendant makes a defence or counterclaim on the grounds that the plaintiff's registered mark is a reproduction, an imitation or a translation of its prior unregistered mark, they shall be under the burden to prove the fact that its prior unregistered mark is well known.

Article 7 Where before an act of accused trademark right infringement or unfair competition took place, a mark was once established as a well-known mark by the people's court or the administration department for industry and commerce under the State Council, and the defendant raises no opposition to the fact that the mark is well known, the people's court shall affirm the fact. Where the defendant raises opposition, the plaintiff shall still be under the burden to prove the fact that said mark is well known.

Except otherwise provided for in this Interpretation, the people's court shall not apply the self-claim rules with regard to the evidence in civil lawsuit to the fact that a mark is well known.

Article 8 Where a plaintiff has produced the substantial evidence that its mark is well known, or a defendant raises no opposition, in respect of the mark that is widely known to the public within the territory of China, the people's court shall affirm the fact that the mark is well known.

Article 9 Being sufficient to mislead the relevant sector of the public about the source of goods bearing a well-known mark and a mark in suit or cause them to believe that the business operators of the well-known mark and a mark in suit are related in a special way by virtue of licensing or corporate association is a case of "being liable to create confusion" provided for in Article 13, paragraph one, of the Trademark Law.

Being sufficient to cause the relevant sector of the public to believe that a mark in suit and a well-known mark are associated to such a considerable extent as to weaken the distinctive character of the well-known mark and tarnish the goodwill of the well-known mark in the market, or taking advantage of the goodwill of the well-known mark in the market, is a case of "misleading the public and being likely to damage the interests of the registrant of the well-known mark provided for in Article 13, paragraph two, of the Trademark Law."

Article 10 Where a plaintiff petitions to prohibit a defendant from using a mark or enterprise name identical with or similar to the plaintiff's registered well-known mark in respect of dissimilar goods, the people's court shall make its judgment according to the specific circumstances of the case, by taking account of the factors as follows:

(1) The extent to which the well-known mark is distinctive;

(2) The extent to which the well-known mark is known to the relevant sector of the public of the goods bearing the mark or enterprise name in suit;

(3) The extent to which the goods bearing the well-known mark and those bearing the mark or enterprise name in suit are associated with each other; and

(4) Any other relevant factors.

Article 11 where a trademark used by a defendant is contrary to Article 13 of the Trademark Law as a reproduction, an imitation or a translation, of a plaintiff's well-known mark constitutes an infringement of the trademark right, the people's court shall, at the request of the plaintiff, make judgment under the law to prohibit the defendant from using the trademark. However, under any one of the circumstances as follows with the mark registered by the defendant, the people's court shall not support the plaintiff's request:

(1) The request is filed beyond the limitation to this end under Article 41, paragraph two, of the Trademark Law; or

(2) The plaintiff's trademark was not well known when the defendant filed an application for the registration.

Article 12 Where a non-registered well-known mark of which an interested party requests protection is one that should not be used or registered as a trademark as provided for in Articles 10, 11 and 12 of the Trademark Law, the people's court shall not support the request.

Article 13 In a case of civil dispute involving protection of a well-known mark, the people's court's establishment of a well-known mark shall only serve as a fact of the case and a ground of its judgment, and shall not be incorporated in the text of the judgment; where a case is closed through mediation, the fact about the well-known mark shall not be affirmed in the mediation award.

Article 14 Where any judicial interpretation made by the Supreme People's Court before is not consistent with this Interpretation, this Interpretation shall prevail. ■