Introduction

Well-known trademark recognition is a tool that offers a much broader scope of protection to trademark owners than those offered by normal registered trademarks. Having the well-known trademark status means that the mark has acquired high reputation and influence among the public through extensive and continuous use and has been recognised by the relevant public as a well-known trademark.

The Protection under the PRC Trademark Law

While China practices a “first-to-file” rule in trademark protection which means the first to register a trademark will generally take priority over subsequent applicants, the well-known trademark protection is an exception to that.

Under article 13 of the PRC Trademark Law, exclusive rights are conferred on the owners of well-known a trademark. A trademark that “constitutes a reproduction, an imitation, or a translation, liable to create confusion, of another's well-known trademark not registered in China and that is the subject of an application for registration for identical or similar goods” or that “constitutes a reproduction, an imitation or a translation of another's well-known trademark registered in China and that is the subject of an application for registration for dissimilar goods or services, if the use of such trademark would confuse the public and possibly prejudice the interests of the registrant of the well-known trademark” shall be refused registration, and its use shall also be prohibited.

So, under the PRC Trademark Law, both registered and unregistered marks are protected against the use and/or registration of third party rights which are reproductions, imitations or translations of the well-known trademarks, and these third party marks cover non-identical or dissimilar goods and services so long as such marks would cause confusion to the public and prejudice the interests of the owner of the well-known mark. In the PRC intellectual regime, owners of well-known trademarks are entitled to oppose registration of an infringing mark, cancel the registration of a registered mark and oppose the use of the same.

What constitutes a well-known trademark in China?

Determination as a well-known trademark status in China has always been difficult, especially for foreign brands as they are likely to experience difficulties in obtaining
recognition from the relevant public when compared to domestic Chinese brands with more local presence and connection.

While “well-known trademark” is not defined in the Trademark Law, each case is determined on a case-by-case basis with much discretion left to Courts or trademark authorities. In order for a mark to be successfully determined as a well-known trademark, ample evidence of reputation has to be presented to the Trademark Office, the Trademark Review and Adjudication Board, or the local trademark enforcement authorities or the people’s courts to demonstrate that the mark is widely known by the relevant public in China. Relevant factors to be considered in determining whether a mark is well-known include but not limited to:

- The awareness of the trademark among the relevant public, information such as sales channels, distribution networks, purchase orders, contracts, awards received;
- The duration of continuous trademark use, it is advisable to show at least 5 years of continuous use in China;
- The duration, degree and geographical range of any advertisement/promotion of the trademark, materials such as sample advertisements, brochures, signage, records of media plan, schedules of exhibitions attended as well as annual expenses allowed;
- Records of protection provided for the trademark as a well-known trademark, for example judgments from competent authorities in China or other countries; and
- Any other materials showing that the mark has been protected as a well-known trademark in China or other country.

A recent case concerning well-known trademarks
In a recent case (Beijing IP Court (2017) 京 73 民初 121 号), the plaintiff, John Deere (China) Investment Co., Ltd. (“John Deere”), owns trademarks including one with a leaping deer and have used such trademarks on multiple products such as agricultural machineries. Without any permission or consent from John Deere the defendants used trademarks and company names such as “Jialian Deere” and logos with a leaping deer on products including industrial lubricating oils. These defendants also successfully registered names including “Jialian Deere” in which first word “Jialian” is aurally and visually similar to the word “John” as their companies’ name.

Since the Plaintiff found the acts of the defendants exploiting its interest, they commenced proceedings against the defendants. The Court applied Article 13 of the Trademark Law and Article 11 of the Interpretation on Well-known Trademark in balancing the rights between the defendant’s registered trademarks and the plaintiff’s well-known trademarks. The court
decided that the agricultural machineries for which the plaintiff’s trademarks were registered, and the industrial lubricating oil for which the defendant’s trademarks were registered were similar goods. Despite this, the court recognized the plaintiff’s registered trademarks as well-known trademarks and held that the use of the registered trademark “Jialian Deere” by the defendant constituted infringement by applying the Article 13. The defendants were ordered to cease infringement and to make a public statement to minimize detrimental effects.

**Takeaways**

While the criteria to be recognised as a well-known trademark may be stringent and difficult to meet, obtaining such status is extremely useful for a business not only because it recognises the business’s reputation and marketing effort, it is an effective measure to prevent unscrupulous traders from registering that mark in totally unrelated goods and services.

Also, trademark infringers have become more sophisticated and they do not merely copy famous brands directly but may imitate the famous trademarks with additional features. When come to these situations, well-known trade mark protection is of relevance as well-known trademark owners can enforce their rights against such infringing use even the infringing marks are earlier registered trademarks. It is therefore important for businesses to keep evidence of the reputation and recognition of its brands and/or marks as the burden to show that the mark is a famous one is on the mark owner.