

In China file national or international trademark registration?

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A trademark can be registered in China through either a direct national application or international registration according to the Madrid Agreement or Protocol. Which route is more appropriate for an applicant?

From our experiences, sometimes frustrating, we have concluded that an international registration is **advantageous** in the following aspects:

- 1. <u>Lower cost</u>: A hundred Swiss francs will enable the applicant to extend the international registration to China, a country with a population of 1.3 billion.
- 2. <u>Multi-class filing available</u>: Although multi-class filing is not available for a national application, an international multi-class filing can certainly save the applicant's resources.
- 3. <u>Liberal specification</u>: The Chinese Trademark Office (CTMO) is very strict with the specification of goods and services when examining a national application. The applicant is often forced to stick to the Nice Classification word by word. International registrations, however, will enjoy looser requirements in this regard. So long as the goods or services are correctly classified, the CTMO does not care too much about the wording. Often the vague and broad class headings can be accepted for the international registration.

Due to the above advantages, many applicants use the international route for trademark registration in China, but often overlooking some bad pitfalls below:

- a) <u>Difficult to enforce</u>: When a mark is internationally registered in China, the CTMO usually issues a Notification of Approval in English, French or occasionally Spanish, never in Chinese. If the owner wishes to enforce the mark after registration, the owner need to spend extra money and time requesting for Chinese certificate(s), because the Chinese courts and authorities concerned are supposed to accept only Chinese documentation. Non-Chinese documentation will not be considered. However, while the owner requests for certificate(s), it is possible that the infringer(s) will run away or destroy infringing evidence. Therefore, it is advisable to request for Chinese certificates immediately after the 12-month period under the Madrid **Agreement** or 18-month period under the Madrid **Protocol**.
- b) <u>Stuatus not always clear</u>: It sometimes happens that no reliable database can be found to check the actual status of the international registration. Sometimes, the WIPO's database reveals a status different from that of the CTMO's. Occasionally, even the CTMO's examiners have different opinions on the status. Possibly, the Trademark Review and Adjudication Board's (TRAB) appeal examination will worsen the situation. Consequently, the owner will be forced to request for certificate(s) to obtain an official confirmation of the status and particulars of the international registration.
- c) More difficult to deal with non-use cancellation: If somebody requests for non-use cancellation of a nationally registered mark, the owner can usually receive the Notification of Response shortly afterwards, and then, more easily gather evidence of usage in China to keep the mark in force. However, if the cancellation happens to an internationally registered mark, the owner often receives the Notification about two years later, for various reasons.

Such a substantial delay will make it more difficult for the owner to gather evidence, as the owner is supposed to gather evidence of three to five years ago. Therefore, it is highly advisable for international trademark owners to keep their evidence for a longer period of time to be on the safer side.

d) No multi-class appeal: If a multi-class international filing is refused and the applicant wants to keep more than one of the classes in force, it is then supposed to file separate appeals class by class. In other words, multi-class appeal is not available for international registration. Moreover, the TRAB will require translation of the Notification of Refusal, which will incur extra cost. As a result, the cost will increase.

To sum up, although the Madrid system is cost-saving for filing, the system remains not mature. The shortage of good coordination between the WIPO, CTMO and TRAB often makes the system problematic in many aspects. In contrast, a national filing, though more costly, is more reliable in many ways.

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