

### Lawsuit Updates

## “WASHINGTON and Apple device” trademark refused

Civil Rulings Nos. Gaoxingzhongzi 106, 107 and 108/2007

The US Washington Apple Committee filed, with the Chinese Trademark Office, an application for registration of the trademarks of “HUASHENG DUN (the Chinese equivalent to the English word “WASHINGTON”) and the device” and “WASHINGTON and the device” in the goods of fresh fruits in class 31 and the services of advertising and market promotion in class 35. The Trademark Office and the Trademark Review and Adjudication Board (TRAB) refused the application on the grounds that “Huashengdun” and “WASHINGTON” were words standing for the capital of the United States, a geographic name of a foreign country known to the public, and that the device portion of the mark applied for registration was in the general shape of apple, which should not be exclusively used as a registered trademark in goods of apple. The Washington Apple Committee sued the TRAB to the court, requesting to cancel the TRAB’s Adjudication on the Reexaminations of Trademark Refusal.

Under the Chinese Trademark Law, a geographic name having other meanings or being part of a collective or certificate mark are not precluded from registrability. The Beijing Higher People’s Court held that, for the relevant sector of the public in China, the meaning of the word “WASHINGTON” or “Huashengdun” used as the name of the US capital was more salient than that used as a surname in the English speaking countries. Besides, the evidence the appellant furnished was not sufficient to show that the mark applied for registration had gained the second meaning through long-

time use. Said mark comprising a word and an apple device did not generate a new meaning different from their original meaning, and the apple device was descriptive of the goods of fresh fruits, so the main distinctive part of said mark was the word “WASHINGTON”. Accordingly, the court held that said mark should not be used as a registered mark, and decided to have upheld the TRAB’s Adjudication on the Reexamination of Trademark Refusal.



## “Sisley” won in “sisley” v. “sistain” in the second-instance judgment

Civil Rulings Nos. Shenzhongfaminsanchuzi 383/2005  
and Yuegaofaminsanzhongzi 10/2006

The proprietor of the “sisley” trademark, the French C. F. E. B. Sisley Corporation (Sisley for short) sued in the Shenzhen City Intermediate People’s Court to request the latter to make a ruling that the “sistain” trademark proprietor, the Shenzhen City Sistain Cosmetics Corporation (Sistain for short) and other two corporations counterfeited the package particular to its well-known goods “sisley” products, and committed unfair competition. The Shenzhen City Intermediate People’s Court comprehensively considered, together with other circumstances, the fact that the number of special counters the Sisley set up and the cities where Sisley’s products were marketed around the country were quite few, and held that Sisley did not present enough evidence to show that the goods were reputable to such an extent as to be famous under the law. The court did not support its claim that the “sisley” products were well-known goods in China, and rejected its litigant claims.

The Guangdong Provincial Higher People’s Court held that the price of the ‘sisley’ cosmetics was high, and the consumers thereof were people who are well paid. The sale volume and market share of goods were only the referential, not the decisive, factors in establishing their self-knownness. Besides, the Sisley advertised in domestic famous media for fashions and cosmetics, which had objectively made the products relatively highly reputable in the marketplace and among consumers. It was, therefore, held that the evidence from the Sisley was sufficient to show that the “sisley” products were famous goods in China, and the goods should be established as such.

The Guangdong Provincial Higher People's Court finally decided that the act of the three defendants constituted unfair competition, ordered them to cease immediately making and marketing the products infringing Sisley's package particular to its products, cease using the package in suit that were identical with or similar to the Sisley's package, destroy the package and bottles of the infringing products, and pay Sisley RMB 100,000 yuan in compensation for its economic injury.

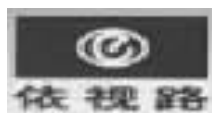


### “eSSILOR” v. “eSSIOR”

Civil Ruling No. Jingerminchuzi 11138/2007

The French Essilor International Inc. and the Shanghai Essilor Optics Co., Ltd. registered “YISHILU” (the Chinese equivalent to the trademark “eSSILOR”) word trademark and the combined trademark of the word “eSSILOR” and the device respectively on 21 July 1999 and 28 July 2001. The Beijing Yishilu Corporation, incorporated in 2006, registered “YISHILU” as the trade name of its enterprise name and used another party's prior registered mark on the package and quotation of prices of the lens when it marketed the products. The French Essilor International Inc. and the Shanghai Essilor Optics Co., Ltd., therefore, sued the Beijing Yishilu Corporation for infringing their trademark right and for carrying on unfair competition.

The court decided that the representation and the “eSSIOR” in the words the defendant used on the package of the lens it marketed were similar to the plaintiffs' registered combined trademark “eSSILOR”, and the act constituted an infringement of the plaintiffs' trademark. The Beijing Yishilu Corporation, incorporated after the plaintiffs, was also an enterprise marketing lens as the two plaintiffs, and used its enterprise name when marketing lens, which were sufficient to create confusion on the part of the relevant sector of the public, its act constituted unfair competition, and it should be held liable. The court made the final ruling that the Beijing Yishilu Corporation cease its acts of trademark infringement and unfair competition, and cease using the enterprise name containing “YISHILU” in



its activities in which identical or similar goods were marketed in respect of which the plaintiffs' registered mark had been approved to be used.

### “DUNHILL” v. “DENGHAOLI”

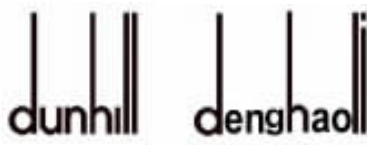
Civil Ruling No. Jingerzhongminchuzi 10177/2007

The Alfred Dunhill Limited, proprietor of the trademark “DUNHILL DENGXILU (the Chinese equivalent of “DUNHILL”)” registered, from 1984, the word and device trademarks of “DENGXILU” and “DUNHILL” and the combined trademark thereof in goods in classes 18 and 25, and the combined mark of “d” and the device in goods in class 25. Dengxishijia Corporation used, without authorization, the trademark representations of “DENGHAOLI” and “d” in the same class of goods it made and marketed in respect of which the plaintiff's registered marks had been approved to be used. Besides, the Dengxishijia used “dengxishijia”, which was similar to “dengxilu”, as the trade name in its enterprise name, and deceptively publicised on its corporate website and on the package of its products to have associated its products with Mr. Alfred Dunhill, stating that its products were manufactured under the supervision of the French Dunhill (H. K.) International Limited to make the consumers to wrongly believe that the French Dunhill (H. K.) International Co., Ltd. and the plaintiff were the same market player or specially associated. This act constituted a case of unfair competition. For that reason, the Alfred Dunhill Limited made its claims to the court that Denxi Corporation cease the infringement, and pay for the damages.

Upon comparison, the court made the ruling that the way in which the representation of “DENGHAOLI” word mark the defendant used was easy to create confusion on the part of the relevant sector of the public about the origin of the goods of the two parties or wrongly guess whether the two parties were somewhat associated, and it was a similar mark; the letter “d” and the representation of device it used was identical with the registered mark involved. That the plaintiff used “Guangzhou City Dengxishijia Leatherwear Co., Ltd.” on the package of the products involved and relevant website, with the obvious intention to take advantage of another party's goodwill, was sufficient to create confusion on the part of the relevant consumers about the origin of the products involved, and they would wonder whether there existed any association between the different operators, thus, violating the primary

principle of good faith and the act constituted unfair competition.

Therefore, the court supported the plaintiff's claims, and made the judgment that Guangzhou City Dengxishijia Leatherwear Co., Ltd. cease the infringement of the exclusive right to use the registered trademark, cease the act of unfair competition, cease using the enterprise name containing "dengxishijia" in its activities of marketing the goods similar to or identical with those in respect of which Alfred Dunhill Limited's registered "DUNHILL" mark had been approved to be used and delete the deceptive material of publicity on the website "http://www.denghaoli.com".



## Kohler successfully protected its right in patent dispute arising from "faucet"

Civil Ruling No. Jingerzhongminchuzi 9657/2007

Kohler, a world famous manufacturer of kitchen and sanitary utensils, filed, in 1998, an application for a patent for the design entitled "faucet" with the Chinese Patent Office and was granted the patent right (Patent ZL97328377.7). Kohler found that Deli and other two corporations made and marketed the products substantially identical with its patented product, and sued them in the court, requesting them to stop the infringement.

Upon hearing the case, the court held that the difference between the defendants' product and the plaintiff's patented product did not have impact on the global visual effect. It then established that the former was similar to, and infringed, the plaintiff's patent right, so it made the judgment that the defendants cease making and marketing the faucet products involved and pay for the damages. However, the court did not support the plaintiff's claims that the three defendants destroy all the moulds used for making the infringing products and all the infringing articles, including the finished and semi-finished products.



The faucet made by the Deli Corporation



The faucet made by Kohler

## Advertiser and advertising agent accused of infringement by illegitimate use of Maggie Cheung's photo

Civil Ruling Nos. Huerzhongminwu(zhi)chuzi 284/2005 and Hugaominsan(zhi)zhongzi 64/2007

The photo of Maggie Cheung, Hong Kong film star, taken for the International Platinum Society, was used, without authorisation, in the advertisement of the BOSIDENG warm underwear. The Platinum Guild International United Kingdom Limited brought an action against the Bosheng Co., Ltd., Shanghai Bosideng Garment Corporation and Beijing Mufeng Advertising Agency in the Shanghai No. 2 Intermediate People's Court. The Shanghai No. 2 Intermediate People's Court made the ruling that the three defendants constituted infringement. Dissatisfied with the ruling of first instance, the Bosideng Co., Ltd. appealed to the Shanghai Higher People's Court, which decided that the Shanghai Bosheng was the maker of the BOSIDENG warm underwear and advertiser of the advertising film in suit, and the Beijing Mufeng Agency the advertising agency, The two defendants amended and reproduced, without the authorization from the plaintiff, the photo of Maggie Cheung in static posture of which the plaintiff enjoyed the copyright, and used the photo in the advertisement for the BOSIDENG warm underwear on TV, which constituted an infringement. Therefore, the court ruled that the two defendants cease the infringement, pay the International Society RMB 200,000 yuan in condensation of its economic damage, make an apology to the plaintiff in the press. The Bosideng Co., Ltd., which was not an advertiser of the advertising film in suit, was not held liable for the infringement. Changes were made in the former ruling, which was made with error in the facts ascertainment. ■