

Protecting Geographic Indications As Collective Trademarks

—Chinese Trademark Practice

Recently, “西陣織”(Nishijin Textile), a collective mark containing a geographic indication, applied by one of Lung Tin’s Japanese clients-Nishijin Textile Industrial Association, finally received preliminary approval. This mark has been examined for six years as well as experienced the processes of refusal and reexamination.

An issue of registering a geographic indication as a collective trademark in China arises. TRIPS regulates the protection obligation for geographic indications, which indicate both geographical origin as well as certain qualities associated with that origin. In China, there are three independent administrative protections for geographic indications, *i.e.*, “Measures for the Registration and Administration of Collective Marks and Certification Marks” issued by the State Administration for Industry and Commerce (“SAIC”), “Regulations on Protection for Goods with Geographic Marks” issued by State Administration for Quality Supervision and Inspection and Quarantine, and “Measures for Administration of Geographic Marks in Agricultural Goods” issued by Ministry of Agriculture. With respect to the protection under SAIC, till the end of 2014, there are 2,575 registered geographical indications as certification and collective trademarks in China. Here, we brief and comment on the case of “西陣織” trademark registration in China, and introduce Chinese practice on registering a geographic indication as a collective trademark, *i.e.*, the legal regime for protecting geographic indications by Chinese Trademark Law.

I . The Case Brief: Trademark “西陣織”

The applicant, Nishijin Textile Industrial Association, filed “西陣織¹” trademark application as a geographic indication collective trademark with Chinese Trademark Office on April 22, 2009. The trademark is designated to be used in goods of “silk fabrics; blended silk fabrics” under classification No. 24 and goods of “silk clothes; blended silk clothes; silk belt; blended silk belt; silk shawl; silk scarf; silk tie; silk headscarf” under classification No. 25 respectively.

The Trademark Office refused “西陣織” trademark registration on October 12, 2010, reasoning that “Nishijin textile is a kind of fabric products by dyeing the silk threads at first and being weaved into drawings afterwards, which is a world famous representative of Japanese craftworks, and thus it cannot be registered when it is used as a trademark only directly indicating a manufacturing process of the designated goods” in accordance with the

¹“西陣織”(Nishijin Textile) is a Japanese national class traditional handiwork, with high reputation in weaving industry and a unique feature of variety but a small amount of production mode. One feature of Nishijin textile is jacquard fabric by prior dyeing (fabric knitted with drawings by dyed threads). Therefore, the weaving needs more than 20 processes, which are mainly accomplished by professional handwork staffs in different tasks. Each process requires superior skill and rich technical knowledge. Relavant law by the Japan Association for Promoting Traditional Handiwork Industries regulates that there are 12 types of all Nishijintextiles with subtle discrepancy in the processes of different types. Nishijintextiles were designated as Japanese traditional handiwork in 1976.¹

“西陣織” obtains its fame due to its production origin from the district of Nishijin in Kyoto, Japan. The registration of collective trademark “西陣織” in China will be the preparation for business promotion of this Japanese traditional handiwork with more than 1200 years’ history and sweep away the obstacles of its brand use in China by over 460 small and medium sized enterprises in Nishijin district.

Chinese Trademark Law (old version) Article 11.1.2 and Article 28.

The applicant disagreed and filed a request for reexamination with the Trademark Review and Adjudication Board (TRAB) on October 29, 2010 with the following arguments:

1. The Trademark Office erred in examining the trademark as a regular trademark, not as a geographic indication collective trademark;
2. The trademark “西陣織” meets the requirement for applying a geographic indication collective trademark: (1) “西陣” (Nishijin), a composition part of the mark, is a geographical name of a district “Nishijin” in Kyoto, Japan, and meets the requirement for applying a geographic indication collective trademark by the Trademark Law; (2) Japan Association for Promoting Traditional Handiwork Industries and the applicant have the capability of supervising the quality of “西陣織” products made by each member of the association; (3) The trademark “西陣織” has its distinctive regionalism, history and tradition, which has already become a world famous Japanese weaving process and meets the requirement for applying a geographic indication collective trademark.

Together with the arguments, we submitted all supporting evidences for registering the geographic indication collective trademark again to the TRAB.

In view of the above, the TRAB approved the trademark and opined that although this trademark is comprised of geographical name and product name, the recorded evidences are not enough to prove that this mark has become a word showing the common feature of the manufacturing process of this kind of goods;

this mark meets the requirements for registering as a geographic indication collective trademark under Article 16 of the Trademark Law and Measures for the Registration and Administration of Collective Marks and Certification Marks.

II. Chinese Practice: Geographic indication collective trademark's registration and examination

Although geographic indications are a form of IP, they are also protectable under Chinese Trademark Law, which defines them as: “the specific sign indicating the origin, specific quality, prestige or other features of the designated goods and mainly decided by the natural factors or humanistic factors of the district.”(Article 16, Trademark Law). Under the law, geographic indications have been protected under a separate category, as trademark rights were not granted for geographical terms due to lack of distinctiveness. The category provides collective rights for all genuine producers under certification and collective marks according to the Trademark Law and its Implementing Regulations.

Measures for the Registration and Administration of Collective Marks and Certification Marks in Article 4 specify: Any party applying for the registration of a collective mark shall furnish documents certifying the qualification of the subject and indicate in detail the names and addresses of the members of the collective. Any party applying for the registration of a geographic indication as a collective mark shall furnish documents certifying the qualification of the subject and submit the detailed information of the professionals and special testing equipment of its own or of any other organization authorized by it to show its capability of supervising the particular quality of the goods to which the

geographic indication applies.

Accordingly, two sets of evidences are needed to support a collective mark registration: (i) geographical origin, distinction, and reputation; and (ii) certain qualities associated with the origin that can be supervised by applicant or its association. Taking the above case for example, we submitted all supporting evidences for registering the geographic indication collective trademark to the TRAB. Specifically, during the reexamination stage, we added a huge number of materials to prove the trademark “西陣織”’s history, distinction and reputation in weaving field, including the materials such as evidence proving “西陣” is a geographic name of a district in Kyono, Japan, introduction of the history and the unique process of “西陣織”, and introduction material from Law Relating to Promoting Traditional Handiwork Industries in Japan, for the purpose to prove that the trademark “西陣織” possesses its distinctive regionalism, history and tradition, which is an unique process with direct correspondence between the trademark and the applicant. Moreover, we submitted supplementary materials as supporting evidences including “Implementing Rules for Producing the Traditional Handiwork ‘西陣織’”, drafted by the applicant, and document about the name, location, organization and responsibilities of the supervision office, published by Japan Association for Promoting Traditional Handiwork Industries in order to prove that the trademark applicant is the legally established entity which is capable of supervising and managing the quality of the goods.

According to the current examination practice for collective trademarks containing geographic indications in China, the Trademark Office and the TRAB are very strict in examining whether the applicant or the associated agency is qualified for applying the collective trademark

with required professionals and precise testing equipment, as well as the special quality, reputation or other features and the manufacturing regional scope of the goods using the collective trademark. By handling this case, we observe that this trademark registration of “西陣織” is able to overcome the Trademark Office’s refusal reason and finally primarily approved because we submitted a lot of evidences during reexamination procedure to prove that the applied trademark “西陣織” is closely relative to the history and culture of the territory where the applicant locates in, a traditional handiwork in the district of “西陣” with unique feature, and a trademark with high reputation in weaving industry.

III. Our Advice: Registering a geographical indication as a collective mark in China

1. Name consistency and qualification of the applicant

It is regulated in Article 6 of Measures for the Registration and Administration of Collective Marks and Certification Marks that “any foreign person or enterprise applying for the registration of a geographical indication as a collective mark or a certification mark, he or it shall furnish documents certifying that the geographic indication in question, in his or its name, is under the legal protection in the country of origin”.

In other words, the registration is not allowable if applicant’s name in China is not consistent with the applicant’s name in the original country. In addition, the qualification of the applicant shall be carefully considered, as the law requires the applicant to be capable of supervising this trademark with supplementary evidences.

2. Conversion between a traditional trademark application and a collective trademark application is not allowed in China. The applicant needs to define the application type at the time of filing. A new trademark application should be filed if the applicant wants the trademark to obtain registered trademark rights in another type. So it's important to decide the trademark type before application. The Chinese Trademark Law regulates that a trademark containing a "commonly known foreign geographical name" is not allowed to be registered as an ordinary trademark. However, for those geographical names and geographic indications not widely known in China, it is

possible for them to be registered as ordinary trademarks.

3. The geographic indications applying for collective trademarks are usually composed of the geographical name showing the origin of the goods and the product name. Such kind of trademarks is easily decided to be the mark without trademark distinctiveness, thus cannot be successfully registered. To apply this kind of trademark in China, evidences such as proving the reputation, close relationship with the applicant and easy identification by related consumers should be provided by strictly complying with relative laws and regulations.

The newsletter is not intended to constitute legal advice. Special legal advice should be taken before acting on any of the topics addressed here.

For further information, please contact one of the attorneys listed below. General e-mail messages may be sent using ltbj@lungtin.com which also can be found at www.lungtin.com.

Deland WU, partner, trademark attorney: ltbj@lungtin.com;

Yang HOU, trademark attorney: ltbj@lungtin.com

18th Floor, Tower B, Grand Place, No. 5 Huizhong Road, Chaoyang District, Beijing 100101, China

Tel: 86-10-8489 1188; Fax: 86-10-8489 1189

E-mail: ltbj@lungtin.com Website: www.lungtin.com