

Newsletter January, 2011

Table of Contents

TRAB affirmed LOVOL not infringing VOLVO trademark	1
China Customs Seized 120 Million Yuan worth Counterfeit Products	1
Adidas was Awarded 200,000 Yuan in Trademark Infringement Case	1
China Granted 40% More Patents in 2010	1
New Agreement signed for Mainland Authors to Collect Royalties from Taiwan in 2011	2
Baidu Won 360 in Unfair Competition Case	2
Protecht and Four Chinese Companies Won Patent Infringement Case in U.S	2

TRAB affirmed LOVOL not infringing VOLVO trademark

The Trademark Review and Adjudication Board (TRAB) under the State Administration for Industry and Commerce (SAIC) made a ruling recently, affirming the registration of No. 4831530 trademark of LOVOL of Hebei Aulion Heavy Industries Co., Ltd., denied Volvo Trademark Holding AB's claim to against registration of LOVOL as a trademark.

TRAB held that although the trademarks of LOVOL and Volvo are both constituted with five English letters, the consequences and the pronunciation of the two marks are obviously different, and will not confuse the public. Automobile are often deemed as the special consumption articles, and even though the two marks are both used in the category of vehicles and Volvo is of higher popularity, Consumers will be more cautious when they decide to buy and the two marks will not mislead them. So the TRAB held that LOVOL does not constitute similarity.

http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201 10125_570569.html

China Customs Seized 120 Million Yuan worth Counterfeit Products

China Customs have seized 2,153 patches of 38.36 million infringing cargos with 120 million yuan in goods value since the launch of the special campaign on IPR infringement, counterfeiting and piracy, according to the latest statistics released by the General Administration of Customs.

The Customs nationwide have made great progress in enforcement efficiency by waging inspection, taking tips or complaints on IPR infringement and stepping up administration enforcement. Hangzhou Customs, from October 2010, investigated eight cases and seized 10,924 tablets infringing IPRs of Viagra via post channel with the value of 546,000 yuan, seized some sport shoes in export investigation with a value of 760,000 yuan. Xiamen Customs, in November 2010, checked some CD/DVD players which were declared for export by a Shenzhen-based trading company, and found 9.7134 million cigarettes marked with Marlboro trademark, with 6.33 million yuan in goods value. <u>http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201</u> 10120_567248.html

Adidas was Awarded 200,000 Yuan in Trademark Infringement Case

On January 4, 2011, Guangdong Dongguan Intermediate People's Court entered a firs-instance judgment on the Y-3 trademark case of Adidas vs. EXXEL International Group and Dongguan Advanced Material Company, ordering the two defendants to cease producing and distributing infringed products, delete relevant websites and pay Adidas 200,000 yuan in damages.

Adidas is the operator of Adidas products, and it registered several series of trademarks of Y-3. On April 2009, Adidas found a travel bag marked with Y3 trademark, and discovered its dealer is EXXEL. Adidas held that the two companies' action of using Y3 on products and websites constituted trademark infringement on the ground of its similarity in pronunciation and visual reorganization.

The court held that the products in question are similar in function, use, target consumers and distribution channel. The defendants' acts of using both Y-3 and Y3 trademark on the package are enough to mislead and confuse consumers. So ordered.

http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201 10120_567247.html

China Granted 40% More Patents in 2010

The number of patents granted in China last year was 40 percent higher than in 2009 according to the national patent watchdog.

China's State Intellectual Property Office (SIPO) said in a statement Wednesday that it received over 1.2 million patent applications and approved 814,825 requests among them last year. The application number was over 25 percent more than that in 2009.

Among three types of patent applications administered by the SIPO, invention patents accounted for over 85

Disclaimer: AFD China Newsletter is intended to provide our clients and business partners information only. The information provided on the newsletter should not be considered as professional advice, and should not form the basis of any business decisions.



percent in each year's foreign applications since 2005, while domestic applications for invention patents accounted for 26 percent during the same period, it said.

The number of foreign applications for invention patents in 2010 rose about 15 percent from 2009, although the number of approved foreign applications dropped 12.3 percent.

Along with that drop, domestic applications experienced a large leap -- Chinese applications took over 59 percent of all invention patents granted in 2010. The figure was 50.9 in 2009, exceeding foreign applicants' share for the first time.

SIPO's statement attributes the rise to the improved quality of domestic inventions, the country's enhanced capacity in independent innovation and the growing awareness of intellectual property rights (IPRs).

The SIPO also released the result of an IPR protection campaign launched last November. Further, the country's IPR authorities had accepted over 400 patent disputes and resolved 233 patent counterfeiting cases.

http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201 10118_565452.html

New Agreement signed for Mainland Authors to Collect Royalties from Taiwan in 2011

The mainland-based China Written Works Copyright Society (CWWCS) signed a reciprocal agreement with Taiwan-based Chinese Oral and Literary Copyright Collective Management Association (COLCCMA). According to the agreement, from 2011, the COLCCMA will collect royalties from Taiwan's universities and copy shops for duplicating works of mainland authors.

The reciprocal agreement is an importance practice on the IPR cooperation between the two sides, said Fu Zhaoxiang, Board of COLCCMA. The COLCCMA has been a member of IFRRO, and China is ready to sign the agreement of its kind with associations of other countries and regions.

http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201 10106_560534.html

Baidu Won 360 in Unfair Competition Case

January, 2011

The Beijing No.2 Intermediate People's Court entered the first-instance judgment on the case between Baidu and 360, holding that Qizhi Software (Beijing) Company and Beijing Sanji Wireless Networks Company constituted unfair competition and ordering the two companies to compensate plaintiff for reasonably litigation charge and economic losses totaling 385,000 yuan.

Baidu sued 360 for unfair competition and sought 10 million in damages on August 2010. The court found that the defendant labeled Baidu toolbar and address bar as "malicious plug-in and software" in their 360 website, which the court believed falsely describe the software and misled users to delete. All the above mentioned acts constitute unfair competition. So ordered.

http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201 10106_560533.html

Protecht and Four Chinese Companies Won Patent Infringement Case in U.S.

After vigorous defense, the district court of New Mexico rejected Leviton's request of 337 investigations alleging against General Protecht Group Inc. (Protecht) and four other Chinese companies over infringement of its patent. Protecht tasted the fifth straight victory in oversea patent litigation.

Leviton, one of the leading electrical giant in the U.S., filed for 337 investigations at the International Trade Commission (ITC), alleging infringement of its patent by Protecht and four other Chinese companies on October 4. Then on October 28, Protecht sued Leviton in New Mexico for its breach of their July 2007 settlement agreement and sought damages. The court issued a preliminary injunction and ordered Leviton to withdraw its 337 case and the suspending case in the Northern District of California. Leviton then filed a reverse motion. On the morning of December 2, the court heard the case via teleconference and rejected Leviton's motion.

Leviton and Pass & Seymour brought suit of Protecht to court ,but Protecht won all the five matches.

http://www.sipo.gov.cn/sipo_English/news/iprspecial/201101/t201 10104_560193.html

Disclaimer: AFD China Newsletter is intended to provide our clients and business partners information only. The information provided on the newsletter should not be considered as professional advice, and should not form the basis of any business decisions. 2