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Polo Ralph Lauren Wins an Unfair Competition Case

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Jiangsu High People's Court recently made a final judgment No. 2020SuMinZhong406 on the unfair competition dispute between Polo Ralph Lauren Co., Limited, Polo / Lauren Limited, Ralph Lauren Trading (Shanghai) Co., Ltd. (Plaintiffs), and Shanghai Ruifa Clothing Co., Ltd. plus two individual business operators retailing the infringing goods (Defendants). The Court clarified that the decoration of the service place is an overall commercial image composed of various service marks, styles and concepts, which collectively reflect a specific style making it distinguishable from others. Such commercial image as a whole shall be protected under the Anti-Unfair Competition Law.

Polo Ralph Lauren, since 2015, has opened nearly 100 specialty stores in mainland China. The plaintiffs' store decorations and goods packaging are well-designed and composed of various mutually reinforcing elements, which presents a unique visual effect with American retro style and jointly constructs the brand's overall commercial image. The defendants imitated the store decorations and goods packaging, including but not limited to using the very similar "POLO SPORTS" and "Polo rider figure" marks. In addition, the defendants made misleading statements through their official website, WeChat public account, etc. to lead consumers to the misbelief that they are affiliated with the plaintiffs. The defendants also imitated several of the plaintiff's classic clothing styles. Some Internet consumer comments show that the alleged conducts have confused the relevant public as to the origin of the goods.

On the basis of these facts, the Court confirmed the defendants' unfair competition conduct and fully sustained the plaintiffs' damage claim of CNY3.3 million (around USD0.5 million). The plaintiffs also initiated a separate lawsuit based on trademark infringement with the Shanghai IP Court.

This judgement sets a good example for legitimate right owners to benefit from the Anti-Unfair Competition Law. The systematic and integrated counterfeiting, which is composed of multiple correlated identifying elements, harms not only the individual interests of the right holders, but also the entire market competition order and consumers' interests. Initiating separate lawsuits based

on trademark infringement and unfair competition might be helpful to put more pressure on the infringers and let them pay higher price for the various counterfeiting conducts.