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File national or international application in China?

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If we file a trademark application in China, should we choose national filing or international filing? And why? This is a question often asked by many foreign applicants. I would like to compare the two routes from the following aspects to better assist you in making a decision.

Timeframe

Chinese national application is more timesaving. According to the Chinese Trademark Law, the examination of a trademark application should be completed within nine months, counting from the filing date. In practice, it takes even shorter than nine months. China National Intellectual Property Administration (CNIPA) set a goal to shorten the average examination time to four months by the end of 2020. By mid-2020, the examination took an average of 4-5 months, not including the publication period of three months.

The examination time for international application designating China is much longer. Only the examination period in CNIPA can be as long as 18 months under the Madrid protocol, not including the time for the basic application or the time for formality examination in WIPO before the registration is notified to CNIPA. Even if the international application was approved of registration within 18 months, you still have to wait after the period of 18 months to enforce the trademark.

2. Cost

The official fees for a Chinese national application have been reduced many times in the past years and its current rate is CNY300 (around USD45) per mark per class, if the number of designated goods or services items does not exceed the basic ten. Each additional item beyond the basic ten costs an extra CNY30. If the application is filed via the e-filing system, there is a 10% discount on official fees.

According to the current rate, the official fee for international application designating China seems much higher than a national filing. Nevertheless, there is no extra cost if more than ten items are designated in an international application. Therefore, if the applicant designates a big number of items, international application can better save cost.

3. Specification of goods or services

The requirements for specification for a Chinese national application are very strict. CNIPA prefers the standard list of Nice Classification and the goods or services in the List of Non-Standard but Acceptable Items which is published and updated by CNIPA from time to time, usually once every three months. Though it is possible for the specification beyond the two lists to be accepted, it is not easy to convince CNIPA.

In contrast, CNIPA is not strict with the specification for the international application. If your goods or services are very new and it is very difficult to find an accurate item in the aforesaid lists, an international application can be a better choice.

4. Registration certificate in Chinese

CNIPA issues a Chinese registration certificate for a national application but not for the international registration designating China. However, the Chinese registration certificate is a necessity for trademark enforcement or even for doing business in China sometimes, such as opening online stores in some online shopping platforms or opening offline shops in some big shopping malls. Filing application to request for such Chinese registration certificate will take extra time and incur extra cost.

Clarity of status

As there is no "central attack" against a national application, you can rely on the CNIPA's database to check the status, but an international application may encounter central attack and need to be converted to a national application or registration. To check the status of an international application designating China, you need to check both the CNIPA's database and the WIPO's database. If discrepancy arises, it will take more time and resources to find out the truth. Because of different national and international organs and staff processing an international application, mistakes and delay are more likely to happen relating to translation, renewal, subclassification, rejection etc. As a result, after an international application is granted approval, it is advisable to double check the status.

6. Protection scope

Like most countries, China adopts Nice Classification and has 45 classes. However, China has a very special subclass system under which each of the 45 classes is further divided into many subclasses. Goods or services falling into the same subclass are normally deemed as similar while goods or services in different subclasses are normally regarded as

dissimilar. Most of the applicants filing the international applications normally do not know China's special subclass system and inadvertently leave some important subclasses uncovered. The trademark squatters might take advantage of the situation. As China is a first-to-file country, when and if a trademark is firstly filed by others, normally it will be difficult to take back the trademark.

Failure to cover some subclasses might also be caused by the misunderstanding about the protection scope of class heading. Applicants who are familiar with international application might misbelieve that a class heading of the Nice Classification can cover the whole class. This might be true in some countries, but not in China. For example, the class heading for class 25 is "clothing, footwear, headwear". If the applicant only designates these three items, the application can only cover the subclasses which these three items belong to. More specifically, the item "clothing" belongs to subclasses 2501, 2502, 2503, 2504 and 2505, the item "footwear" subclass 2507 and the item "headwear" subclass 2508. As a result, a trademark application designating the class heading "clothing, footwear, headwear" can only cover subclasses 2501, 2502, 2503, 2504, 2505, 2507 and 2508, which will leave the rest subclasses in class 25 uncovered and unprotected, such as subclass 2509 to which the item "stockings" belongs, subclass 2510 to which the item "glove (clothing)" belongs and subclass 2501 to which the items "ties" and "scarf" belong.

When a Chinese national application is filed, your local agent normally will introduce such "subclass system" and also clarify the scope of class heading, and accordingly recommend more items to cover more subclasses to prevent others from registering the same trademark in different subclasses but closely associated. This can provide a more desirable protection scope.

7. Gap period in renewal procedure

For the international registration, the application for renewal can be filed with WIPO before the expiration date, but WIPO will NOT notify the CNIPA about its successful renewal in WIPO until on or after the date of expiration. The CNIPA will examine the renewal application after being notified by WIPO, and then update its database. Only when the CNIPA's database is updated to indicate that the international registration is successfully renewed in China can the applicant file a new request to obtain the Chinese trademark certificate proving the renewed validity period. Only with this new Chinese trademark certificate in hand can the renewed trademark be enforced more smoothly. Due to such delay or unreasonable practices, there is a gap period (around three to four months) between the previous ten years valid registration and the next ten years valid registration. During such gap period, as it is hard to prove that the trademark has been duly renewed and is still in force, it is difficult to take enforcement action. If the international registration is recorded in Chinese Customs, the gap period means that you cannot duly renew your recordal in Chinese Customs because a Chinese trademark certificate showing its renewed validity period should be submitted **before** the expiration date to renew the recordal.

For the national registration, a renewal application is allowed to be filed with CNIPA as early as one year before its expiration and the Certificate of Approval of Renewal can be issued sooner. The information of renewed registration can be updated sooner in CNIPA's database after the said renewal application is approved. Accordingly, there is no gap period during which it is difficult to prove that the registration is duly renewed and in force.

Based on the above comparison, if your goods or services are very new and no suitable items can be found in the Nice Classification or in the List of Non-Standard but Acceptable Items which is published and updated by CNIPA, or if the applicant wants to designate a large number of items for its trademark application, international application can be a good choice. Otherwise, it is more advisable to file national application, which is faster and can be better enforced.

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