

Preliminary Analysis of Examination of Relative Grounds for Trademark Refusal

Chen Xiaohua

Articles 28 and 29 of the Trademark Law of the People's Republic of China provide that where any trademark applied for registration is identical with or similar to a trademark another person has registered in the same or similar goods, or a trademark that has been preliminarily approved, or one that was first filed or where any trademark is identical with or similar to a trademark that was filed on the same day or was used earlier, the application for the registration of the trademark shall be refused. In this article the examination of the relative grounds for trademark refusal will be probed into.

I. Concepts of identicalness or similarity of trademark

By identical trademarks is meant trademarks that are not visually dissimilar in any substantial way and are likely to create confusion on the part of the public of the origin of goods and services when used on identical or similar goods or services, and by similar trademarks is meant trademarks that are similar lexically, phonetically and semantically, in composition of device, colour, and appearance or in global arrangement and appearance of the word and device in combination, if they are three-dimensional trademarks, in shape and appearance of the three-dimensional signs; if they are colour trademarks, in colour or combination of colours, which are likely to create confusion on the part of the public of the origin of goods and services when used on identical or similar goods or services.¹ As the above definitions show, the identicalness or similarity of trademarks in the sense of law presupposes "likelihood of confusion". The likelihood of confusion does not need to be proved with actual or real confusion.

II. Principles for establishing identicalness or similarity of trademarks

To judge whether trademarks are identical or similar, it should first be determined whether the goods on which they are used are similar, and then their identicalness or similarity in form, pronunciation or meaning and overall presentation are established by way of global observation, by comparison between the main parts or by observation in isolation, with

account taken of such factors as the characteristics of the goods on which the trademarks are proved to be used, the originality and good will of the trademarks.

1. Based on the average attention of the relevant section of the public when doing their shopping

A consumer always buys something according to his memory of the trademark or his impression of it on his mind. The memory and impression are by no means accurate. It is rather fuzzy. Consumers usually remember some characteristics of the trademark. For that matter, if two trademarks have the identical characteristics that make it impossible for the average consumers to set them apart with average care, the trademarks are similar.

2. Observation in isolation

By observation in isolation is meant first observing a trademark to get some impression of it, then judging whether or not another trademark is identical with or similar to it according to this impression. The reason for making observation in isolation is that a consumer generally chooses goods according to his subjective impression on a trademark he has before doing the purchase. It is unreasonable to require him to take a representation of the trademark along with him to the marketplace to make close comparison before buying the goods he wants. However, to date, in almost all the nations adopting the examination principle,² a trademark applied for registration is closely compared with the trademarks in the trademark database. For this reason, how to embody the principle of observation in isolation in the substantive examination of trademarks is a matter requiring attention from the examiners. The global observation and comparison of main elements to be elaborated below are efforts made to address the issue of observation in isolation.

3. Global observation

The global observation is an important method and principle to judge the identicalness or similarity of trademarks since the global impression made of a trademark is decisive. Whether two trademarks are identical or similar must be

judged according to the global effect they have or impression they make, without putting them into parts to assert the likelihood of confusion simply according to one part of it.

4. Comparison of main elements

As mentioned above, different trademarks are used in isolation, or, in theory, we should ensure that trademarks in isolation do not create confusion on the part of the relevant section of the public. Truly, global similarity in appearance is the most important cause of trademark similarity, but being somewhat different globally does not necessarily ensure that consumers would not confuse them since they may have a relatively fuzzy global impression on the trademark, but have a clear impression on some elements of it. If these elements are similar, the trademark, with the other elements different, is likely to create confusion on the part of the relevant section of the public. The impressive elements are the main elements of a trademark. The main elements of a trademark usually determine its basic characteristics. Comparison of the main elements of a trademark is, in essence, a comparison of its essential elements that make the global impression of the trademark for the purpose of determining whether the identical or similar points of the trademarks are substantial or non-substantial. A trademark similar in main elements is established as a similar trademark, or vice versa.

Then, how should the main elements of a trademark be determined? For this writer, the main and minor elements of a trademark should be determined depending on how salient they are in the trademark. The salient elements are the main elements; the non-salient elements are minor ones. As a rule, the word elements, especially those used in this country, which have effect not only on the visual effect, but also on the way the trademark is referred to and the concept it represents, should be the main elements. Also, the device, letters, numerals, three-dimensional signs and combination of colours may also be the main elements. It needs to be noted that a trademark may have several main elements.

5. Special factors of the goods a trademark is used on

In general, the attention a consumer pays to goods at the time of purchase is proportional to the value and technical complexity of the goods to be bought. The higher the value and technical complexity of the goods, the more attention the consumer pays to it, the less likely for the confusion to arise. Such examples are airplanes, automobiles, and large equipment. Conversely, the less the value and technical complexity of the goods, the less attention a consumer pays to it, the more likely for the confusion to arise, as is the

case with goods for daily use.

6. Originality and reputation of trademark

Under the normal circumstances, the more original or reputable a trademark is, the stronger protection it is accorded by the law. This is, the “stronger trademarks are under stronger protection”. The protection is relatively weak for trademarks short of originality or low in reputation or void of reputation. Of course, some famous trademarks which are not original *per se* become relatively distinctive through use. Trademarks of the kind are easy to be counterfeited, and thus put under strong protection in the trademark examination procedure.

III. Examination of identicalness or similarity of trademarks

To date, when the nations adopting the examination principles examine the relative grounds for trademark refusal, they input the trademarks applied into computer according to elements, and compare them with the trademarks kept in the trademark database to determine whether they are similar. Article 8 of the Chinese Trademark Law provides that elements constituting trademarks include words, devices, letters, numerals, three-dimensional symbols, combination of colours or any combination of the above elements. The elements may be different for different trademarks. Some comprise one element; others many. For the convenience of discussion here, these elements are divided into three types in this article: the word elements, device elements and combination elements. The methods for judging identicalness or similarity of the elements are explored in the form of case study. Since identicalness of trademark is a special circumstance of trademark similarity, this article is intended to mainly explore the judgement of trademark similarity.

Judgement of similarity between word elements

Words are written signs for recording and representing language. They are cultural tools used for extending the communicative function of language in time and in space, and play a great role in advancing human civilisation. Each word has its own fixed strokes, pronunciation and meaning. Capable of communicating distinctive information of origin of products, words are the most distinctive element of a trademark, and hence represent the main part of it.

Words are also divided into pictographic, ideographic and phonographic words. The phonography refers to a writing system using letters to indicate phonetic elements. (e.g. English and the Chinese pinyin system). The pictography and ideography refer to writing systems using symbols to in-

dicate words or morphemes. They do not directly or purely indicate phonetic elements (as is the case with Chinese). Relatively speaking, nowadays, phonography is more widely and conveniently used writing system worldwide.

According to the above analysis, this writer believes that the elements of words should be examined with account taken of their form, pronunciation and meaning and with attention focused on different parts for different words. For example, for the Chinese elements, the character font or form seems more important; for English and the Chinese pinyin, the pronunciation is a little more important; for words with definite meaning, the meaning is also an important factor to be considered.

1. Judgement of similarity between constituent elements of words in the same language

(1) Judgement of similarity between constituent elements of the Chinese characters

As mentioned above, the Chinese characters system is ideographic, and the form seems relative more important. Take the trademarks “酷儿” (pronounced as “ku er”) and “酷几” (pronounced as “ku ji”) for example, while the two trademarks are different in pronunciation and meaning, they are so similar in form that they should be determined as similar trademarks. The two trademarks “蒙尔斯特” (pronounced as “meng er si te”) and “蒙尔斯基” (pronounced as “meng er si ji”), similar in form, are not different enough in pronunciation and meaning to enable consumers to set them apart; hence they are established as similar trademarks. However, we should not ignore the importance of pronunciation and meaning. The trademarks of “高太丝” (pronounced as “gao tai si”) and “高泰斯” (pronounced as “gao tai si”), which have the same pronunciation, have no meaning of their own, and somewhat similar in form, should be determined to be similar trademarks; while “高太丝” and “高泰斯” are so different in form that they do not cause confusion on the part of consumers; hence they may not be determined as similar trademarks. Take the trademarks “龙的传人” (pronounced as “long de chuan ren”, meaning the offspring of the dragon) and “龙的传说” (pronounced as “long de chuan shuo”, meaning the legend of the dragon) for another example, the two trademarks, though similar in form, are so different in meaning as to be set apart by the consumers; hence they are not determined as similar trademarks. “幸运树” (pronounced as “xing yun shu”, meaning lucky tree) and “幸运数” (pronounced as “xing yun shu”, meaning lucky number) are identical in pronunciation, but not so different in form,

and obviously different in meaning, so they are not determined as similar trademarks. “凤梨” (pronounced as “feng li”, meaning pineapple) and “菠萝” (pronounced as “bo luo”, meaning pineapple), though identical in meaning, are so obviously different in form and pronunciation that they are not determined as similar trademarks, either.

(2) Judgement of similarity between constituent elements of words in English

As for the English elements, the English writing system is phonographic. China is not an English-speaking nation, and the average consumers there cannot correctly pronounce each English word, nor do they know the meaning of them; hence form has an important role to play. For example, the trademarks of “BILLDAN” and “BILLDANY”, different only in one letter, are determined as similar trademarks. Although “GTI” and “CTI” are different in letters, they are similar in form, so they are determined as similar trademarks. As for “HOUSE” and “HORSE”, though similar in form and pronunciation, their respective meaning is so well known to the consumers and so obviously different that they can be set apart by them; hence they are not determined as similar trademarks. Besides, many words in some foreign languages have their plural and singular forms, and the morphological features to show their part of speech; hence a trademark of a word derived from another word is normally determined as a similar trademark. For example, “FOOT” and “FEET”, they are different in that the former is the singular and the latter the plural form of the word “foot”; hence they are determined as similar trademarks, so are the trademarks of “BRAVE” and “BRAVERY”, though one is an adjective and the other a noun.

(3) Judgement of similarity between constituent elements of Chinese pinyin system

The Chinese pinyin system refers to the phonetic system using the Latin letters to spell the Chinese Putonghua (the standard or generally accepted Chinese pronunciation) according to the rules underlying the combination of vowels and constants. In trademarks the Chinese pinyin appears in the following ways:

A. The pinyin part of two trademarks appear as the standard pronunciation of the Chinese characters. In case like this, the pinyin part is usually in a minor position, i.e. the minor part of a trademark. For example, “星跃 XINGYUE” and “兴越 XINGYUE” trademarks. Since the Chinese characters of the two trademarks are obviously so different in form and meaning as to enable the consumers to set them a-

part, they are not determined as similar trademarks; while the trademarks of “明乐 MINGLE” and “明乐 MINGYUE” should be determined as similar trademarks since they are likely to cause confusion on the part of consumers due to their identicalness in the Chinese character though different in pronunciation. However, when the Chinese pinyin part of a trademark is used so saliently that it becomes the main part of the two trademarks involved, the trademarks should be similar trademarks. For example:



The Chinese pinyin is salient in the above two trademarks, so should be the main part of them, with the Chinese character part not different enough for the consumers to set them apart, they should be determined as similar trademarks.

B. Two trademarks are purely composed of Chinese pinyin. In this case, they are examined with reference to the standards for examining English trademarks. However, since the Chinese pinyin is a phonemic system adopted for the Chinese language, the average Chinese consumers should find it relatively easy to read and pronounce them. Also, as the Chinese pinyin is phonography, the pronunciation seems relatively important. For example, “CHANG SHAN” and “CHANG SAN” are different only in “SH” and “S” in the second syllable, with comparatively similar pronunciation. The two have no fixed meaning of their own, and their slight difference in form and pronunciation is not enough to enable the consumers to set them apart; hence they should be determined as similar trademarks. Likewise, “CHAO YIN” and “CHAO YING” should be also determined as similar trademarks, while “CHANG SHAN” and “CHANG DAN” are not because they are so different in pronunciation that consumers can set them apart though they are similar in form and meaning, i.e. they do not have their own different meaning.

2. Judgement of similarity between constituent elements of different languages

(1) Judgement of similarity between Chinese characters and English words

The Chinese characters and English words are different in form. The factors that need to be considered are mainly transliteration and semantic translation. Normally, English trademarks having their own meaning known to the public is established as similar trademark if the meaning is identical or substantially identical enough to cause confusion on the part

the relevant section of the public. For example, “王冠” (pronounced as “wang guan”, meaning “crown”) and “CROWN” are established as similar trademarks since the English word has a definite meaning that the two trademarks are mutually corresponding to each other and known to the public; they are identical in meaning, which would cause confusion on the part of the relevant section of the public. In case of meaningless English trademark, its transliteration is mainly considered. For example, “华伦天奴” and “VALENTINO” are determined as similar trademarks because they, as corresponding trademarks, are known to the relevant section of the public. Conversely, if two trademarks whose Chinese and English meanings do not correspond to each other, with their meaning having been fixed and limited, they might not be determined as similar trademarks. Take for example, the trademarks of “幸福树 HAPPY TREE” and “快乐树”, “HAPPY TREE” may be translated into “幸福树” (pronounced as “xing fu shu”, having the same meaning) or “快乐树” (pronounced as “kuai le shu”, having the same meaning) in Chinese, but its meaning is substantially limited to “幸福树”. The co-existence of the two trademarks will not cause confusion on the part of the consumers, so they may not be established as similar trademarks. However, if “HAPPY TREE” alone is applied for registration as a trademark, it is likely to be determined as similar to “幸福树” of “快乐树”

(2) Judgement of similarity between the Chinese pinyin and English

Like English, the Chinese pinyin is an alphabetic writing system. In principle, trademarks of the Chinese pinyin should be judged according to the standard for judgement of similarity between English trademarks and between trademarks of purely alphabetic system. However, if it is possible to be determined that the Chinese pinyin part is the minor part of a trademark, it is not similar to an English trademark. For example, “HUMANLI” and “HUMANLY” should be determined as similar trademarks, while “胡曼莉 HU MAN LI” and “HUMANLY” are not because the Chinese characters “胡曼莉” is obviously distinctive.

(3) Judgement of similarity between the Chinese characters and Chinese pinyin

The Chinese characters and Chinese pinyin are obviously different in form and meaning, and they do not have a one-to-one correspondence in pronunciation, nor create confusion on the part of the consumers; hence they are not usually determined as similar trademarks. For example, the two trademarks “欧达” (pronounced as “ou da”, having no

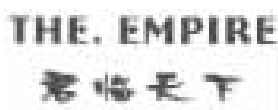
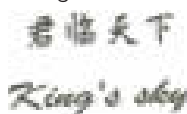
meaning of its own) and “OU DA”, which are identical in pronunciation, but very different in form and equivalent to a lot of homonyms, are not believed to cause confusion on the part of the consumers. However, if two trademarks whose Chinese pinyin and Chinese characters obviously correspond to each other or are directed to the same thing, they are likely to cause confusion on the part of the relevant section of the public.



The trademark on the left contains the device of an owl's head and the Chinese pinyin part “MAOTOUYING” is intended to mean “owl”, not any homonyms, such as “毛头蝇” (pronounced as “mao tou ying”), which would render the above two trademarks similar in both name and meaning; hence they are likely to be established as similar trademarks since they, if used on one or some similar goods, are likely to cause confusion on the part of the relevant section of the public.

(4) Judgement of similarity when trademarks contain word elements of multiple languages

When it is possible for the word element of any one language to be the major part of trademarks, the similarity of the element of any part will cause confusion, as exemplified by the following two trademarks:



Both the Chinese pinyin and English parts of the above two trademarks are the major part. Although the English parts are not similar, the Chinese character parts are, so they should be determined as similar trademarks.

When combination of words in different languages gives a definite overall meaning to a trademark, the examination of similarity will focus on the extent of similarity of the overall meaning of the two. The likelihood of confusion should not be judged according to a particular part of the trademark as shown in the following two trademarks:



People would be deeply impressed by the overall meaning of “5 star” derived from the word parts of the two trademarks; hence they are similar trademarks.



The above two trademarks, though identical in the Chinese characters, give the impression of “QQ 眼” (pronounced as “QQ yan” and meaning “eye”) and “E 眼”, not “眼”; hence they are not similar trademarks.

When the constituent element of the word part is the minor part of two trademarks, the two are not similar since they are so different in the main part or in the trademark as a whole that the relevant section of the public can set them apart despite their being identical in the part of the words as exemplified below:



The above two trademarks are designated to be used in the sector of the restaurant service, and the word “烧烤” (pronounced as “shaokao”, meaning “barbecued or grilled”), being words for the special cuisine of a restaurant, is not distinctive. Besides, their respective major part should be the English word and the device, and the two major parts are obviously different; hence the two are not similar trademarks.

Judgement of similarity between device elements.

The device refers to the shape of an object shown on paper or any other flat surface, and is the main distinctive element of a trademark. The device element should be examined with consideration taken of the three aspects, such as composition, colour and appearance as in the following two trademarks:



The two trademarks contain the device of a man riding on a horseback. They both are in black and quite similar in that the rider and horse are designed in such a way that they are galloping in the similar direction and have the similar posture, hence the two trademarks should be established as similar trademarks.

For two trademarks composed of words and device, when the device element is the main part, they should be determined as similar trademarks if they are similar in device as exemplified below:



For the above two trademarks, both word and device parts are the main part. While they are not similar in word,

they should be established as similar trademarks since they are similar in the device part.

For two trademarks with the device element as the minor part thereof, even if they are similar in device, they are not similar trademarks because they are obviously dissimilar in the main part or in the overall appearance that the relevant section of the public can set them apart as shown in the following:



Although the above two trademarks are similar in device, they are not similar trademarks since the devices, only decorative, are in a less important position in the whole trademarks and their major distinctive parts lie in the word parts of “卡曼雅” (pronounced as “ka man ya” and having no meaning of its own) and “野之苹” (pronounced as “ye zhi ping”, having no meaning of its own), which are obviously dissimilar in form, pronunciation and meaning.

Judgement of similarity between word element and device element

As a rule, relatively obvious difference in the way word and device are presented would not render trademarks confusing to the relevant section of the public. Conversely, trademarks similar in the two elements may also possibly be established as similar trademarks. Taken the following two trademarks for example:



While the device is directive of something to an extent, it is different from word in the role it plays. Take the “熊猫” (meaning panda and “PANDA” trademarks for example, they are somewhat different in word form, but, since they refer to the same mammal, they are likely to cause confusion on the relevant section of the public when used on goods of the same class or similar classes; hence, they should be established as similar trademarks. As for the following two panda devices, except depicting the same animal, people would visually be more impressed by the device, posture and appearance thereof; hence even if the two trademarks of panda device are used on goods of the same class or similar classes, they would be unlikely to cause confusion as long as they are obviously different in device, posture and appearance.



Likewise, a trademark composed of a word meaning “panda” and one of a panda device are even less likely to cause confusion on the part of consumers; hence, they are not established as similar trademarks. They would if the device and word correspond to each other on a one-to-one basis or mutually referential in a specific way for they refer to same thing only.

Take the “米老鼠” (pronounced as “mi lao shu”, meaning “micky mouse”) word trademark and the “micky mouse” device trademark for example:

米老鼠



Since the Micky Mouse is a cartoon image created by Disney in the 1960s, and is now well known to the public worldwide, the “米老鼠” word trademark and the “micky mouse” device trademark applied for registration as trademarks on goods of the same or similar class are likely to cause confusion on the part of the relevant section of the public; hence, they are established as similar trademarks.

Judgement of similarity of global appearance of trademarks

Trademarks, different in both word and device, but similar in global appearance, should be established as similar trademarks as is the case in the following:



The two trademarks are both composed of word and device elements, in which the word parts “NIDA” and “NIKE” are different in form and pronunciation. In terms of the device parts along, they are not similar trademarks. As for the device parts, the trademark on the left is like a little bird while the one on the right is a tick. However, they leave people with a very similar impression in terms of their global appearance and way of combination; hence they are similar trademarks.



The above two trademarks are obviously different from each other in word and distinct in that the main part of the device of the trademark on the left depicts a dancing lion while that of the trademark on the right shows a creature with a horse head and fish-body. However, they are very similar in global appearance and in the way of combination; hence they should be established as similar trademarks.

Judgement of similarity when a trademark contains another person's trademark or contains the main part of it

When a trademark contains another trademark or the main part of it, the principles to be observed in the judgement of similar trademarks are: (1) the global appearance, name and meaning of the trademark are the key factors to be considered; (2) the examiner, when judging identicalness or similarity, should make sure to consider the likelihood of confusion of the origin of goods on the part of the relevant section of the public; and (3) a trademark containing another person's trademark is not necessarily to be established as a similar trademark.

A trademark in which another person's trademark is used in a salient manner should normally be established as a similar trademark. Take the following two trademarks for example:



Any trademark that is a simple modifications of another person's trademark or to which some non-distinctive feature is added and is likely to cause confusion on the part of the public is established as a similar trademark. Such trademarks are “吉澳” (pronounced as “ji ao”) and “新吉奥” (pronounced as “xin ji ao”) and “蒙原” (pronounced as “meng yuan”) and “蒙原肥羊” (pronounced as “meng yuan fei yang”) used on goods of meat.

Any trademark is established as a similar trademark in which another person's device trademark or the main device part of it is revised or changed in a non-substantial manner to be used as the main part of one's own trademark as exemplified in the following:

The trademark on the left is composed of words and device, and the word and device parts are both the main part of the trademark. The device part is a simple revision of the device of the trademark on the right, without producing a substantial change; hence the two trademarks are established as similar trademarks.



Of course, we should not casually believe that a trademark containing another person's trademark is certainly to be confusing. Some words, with other words added thereto, will mean something new, or have a distinctive global visual effect. These words will no longer be similar as it is the case with words, such as “东方雪” (pronounced as “dong fang xue”, meaning “snow in the east”), and “东方雪狼” (pronounced as “dong fang xue lang”, meaning “oriental snow

wolf”); “飞云” (pronounced as “fei yun”, meaning “flying clouds”) and “飞云岭” (pronounced as “fei yun ling”, meaning “cloud-flying ridge”); and “YANNICK MARTIN” and “YANNICK”.

Additionally, as for whether two trademarks having a part in common should be established as similar trademarks, account should be taken of such factors as the special feature of the goods on which they are used and the originality and reputation of the trademarks. For example, trademarks of “乔码” (pronounced as “qiao ma”, having no meaning of its own) and “乔码液” (pronounced as “qiao ma ye”, meaning “qiaoma liquid”) used on “liquor” should be established as similar trademarks because the character “液” means “liquid” which, indicative of the state of the goods, is commonly used by the relevant section of the public to indicate goods of liquor or wine. Also, the two trademarks are identical in the main word, so are likely to cause confusion of the origin of good on the relevant section of the public. These same trademarks are not established as similar trademarks if used on goods of “garments”. For another example, the trademark “红狮” (pronounced as “hong shi” and meaning “red lion”) used on “paint” is somewhat reputable, and is similar to the trademark “红狮兰龙” (pronounced as “hong shi lan long”) registered in good of paint diluent; they may not be established as similar trademarks if used on goods of “bicycle”. ■

The author: Examiner of No.2 Examination Division of the Trademark Office of the State Administration for Industry and Commerce

¹ See Part III Examination of Identicalness and Similarity of Trademarks of the Standards of Trademark Examination as promulgated by the Trademark Review and Adjudication Board and the Trademark Office of the State Administration for Industry and Commerce in December 2005.

² By the “examination principle” is meant that the trademark registration and administration authorities conduct full examination of applications for trademark registration. They examine the formalities elements and the absolute and relative grounds for refusal. Now, the examination principle is adopted in China. Opposite to it is the “non-examination principle” whereby the trademark registration and administration authorities examine the formalities elements of application for registration of trademark, and the absolute grounds for refusal, but do not examine the relative grounds for refusal. The relative grounds for refusal are to be addressed by interested parties in the follow-up procedure. The European Community adopts the non-examination principle.