

## Generic Trademark in China: Everything You Need to Know

Generally, a generic term of goods or services refers to a name that is commonly understood by relevant public to represent a natural attribute, instead of a social attribute, of the certain goods or services. The role of the generic term is to show the relevant public what the certain goods or services are, not who is offering them, such as “TV” used to identify a television set, but not to denote a unique source.

In China, how does the Chinese Trademark Law (“the trademark law”) define the genericness? To answer this, the author provides some insights into the Chinese practice by analyzing the legal basis, the identification, and the fair use relating to a generic term.

### I . The Legal Basis

A generic mark of goods/services is mentioned in at least three places of the trademark law. The first is in Article 11 paragraph 2 subparagraph 1 of the trademark law, i.e., “The following marks are not permitted to be registered as a trademark: (1) Names, devices, or designs that are generic to a class or group of goods” (hereinafter referred to as Article 11). The second is in Article 49 paragraph 2 of the trademark law, i.e., “Where a registered trademark is becoming a generic name in a category of approved goods,.....any organization or individual may request that the Trademark Office make a decision to cancel such registered trademark” (hereinafter referred to as Article 49). The third is in Article 59 paragraph 1 of the trademark law, i.e., “An exclusive rights holder of a registered trademark shall have no right to prohibit other people from using in normal use a generic name, logo or model contained in a registered trademark” (hereinafter referred to as Article 59). In addition, how to identify a generic name in practice is prescribed under Article 10 of Judicial Interpretation on Several Issues Concerning the Trial of Administrative Cases Involving the Authorization and Determination of Trademark Rights by the Supreme People's Court [1] (hereinafter referred to as Article 10).

### II . How to identify a generic name?


With the knowledge of the legal basis of a generic name, how to identify a generic name of goods in practice? According to Article 10, there are four elements for identifying a generic name. Firstly, within the scope of the legal reference object, there are different constraints for

recognizing as a generic name for different legal reference objects. Secondly, there is not a common criterion as to the geographical area for determining a generic name, i.e., whether general knowledge of people across the country or in a certain region should be taken as the criterion? Thirdly, whether is the manner of using the trademark considered as the role of distinguishing the source of goods or only of describing the natural attribute of the product? Fourthly, it's the time node, is the application date, registration date or dispute day as the time node? The author's detailed analyses are as follows:

#### 1. Within the scope of the legal reference

In Article 10, it is stipulated that a generic name “shall” be recognized in two cases and “can” be recognized in one case. That is, where it's a generic name of goods according to legal provisions, national standards or industry standards, it shall be recognized as a generic name; where the relevant public generally think that it can refer to a class of goods, it shall be recognized as a generic name; and where it is listed as a name of goods by a professional reference book or a dictionary, it can be used as a reference for identifying a generic name that is customary. The first two reference objects should be considered as generic names because of higher criteria, and the latter reference object has characteristics such as representing partial views, thus can be regarded as generic names in which case other elements are usually combined to cautiously identify the generic name.

Take the third reference object as an example, i.e., the Supreme People's Court retrial of the case of “Yu Lu” trademark (meaning “dew,”

trademark,  application no.1387674) dispute [2]. The Supreme Court affirmed the lower court decision concluding that “Yulu” is the generic name of a tea product due to lack of distinctiveness, and thus cannot be registered as a trademark, according to provisions of Article 11. In reaching its conclusion, the Court made a reference to the textbooks of the national higher agricultural colleges, and considered that there is no evidence to prove that it has been used in a significant manner. It can be seen that “Yulu” is listed as a generic name by the professional reference book, but it can only be used as a reference for recognizing the generic name under the customary convention. However, after combinedly considering the fact that there is no evidence to prove that it is significant after use, the Supreme Court finally maintained the second instance judgment that “Yu Lu” is a generic name of the tea goods it is approved for use.


Therefore, there are different constraints for recognizing as a generic name for different legal reference objects.

## 2. As to geographical area

Under Article 10, it is stipulated that the criterion for recognizing a conventional generic name is generally based on the general knowledge of the relevant public throughout the country.

### One case that not belong to generic name.

In the retrial case of trademark infringement of “Dao Hua Xiang” (meaning “rice flower,”


trademark , application no.1298859) by the Supreme People's Court[3], the Supreme Court upheld the second-instance judgment that the trademark “ Dao Hua Xiang ” isn't a generic name pursuant to Article 11, and the reason was that the trademark “Dao Hua Xiang” was only a generic name under the customary convention in the Wuchang area, while the alleged infringing products have been sold nationwide, and the relevant market has exceeded the scope of the Wuchang area. However, the general knowledge of the relevant public in the country is only a general standard, and the standard cannot be widened to all of thirty-four provincial administrative regions.

**Another case of generic name.** The Supreme Court re-examined the case of “Qin

Zhou Huang” (unregistered, meaning “Qin Zhou yellow millet”) trademark infringement dispute[4], and upheld the judgment of the second instance court in accordance with Article 11 that the trademark “Qin Zhou Huang” is a kind of grain. The reason was that according to the relevant records, “Qin Zhou Yellow Millet” originated from oldest Qin Zhou, where nowadays is within the jurisdiction of Ji County, Wuxiang, Handan and Tunliu County of Changzhi City, Shanxi Province, that is also called specific millet producing areas, meanwhile which are relatively fixed in the relevant market due to historical traditions, customs, geographical environment, etc., so the mark “Qin Zhou Huang” is recognized as a generic name in a certain area in terms of Article 11.

Therefore, as for the geographical area for identifying a generic name, the country-area standard is generally used with a higher priority, but special judgment criteria within a certain region may be used based on special evidence materials.

## 3. Manners of using the trademark

Trademarks are used to distinguish the source of goods/services. If the holder does not use the distinguishing function of a trademark, the trademark tends to become a generic name of the product, which is typical in the case of “You Pan” (meaning “USB,” logo , application no.1509704), for example. From the product promotion materials submitted by the applicant Lang Ke company, it can be seen that there is no other product name used after the trademark “You Pan” or “Lang Ke You Pan”, that is, the distinguishing function of the trademark is not used, resulting in that “You Pan” is used as a noun instead of a brand identity. Finally, the judges decided to revoke the “You Pan” due to being the generic name of the goods in accordance with Article 11 (1) and (3) of the trademark law. If a trademark is a non-invented word, with lessons from the case of “You Pan”, in order to prevent from becoming a generic name and losing the exclusive right to use the trademark, the holder of the trademark can create a generic term for the goods in addition to the trademark itself and guide the consumer to use “the trademark plus the generic term”.

Therefore, if the holder ignores the distinguishing function of the trademark and

only uses its function of describing a natural attribute of the product, the trademark tends to become the generic name of the goods in the trademark law.

#### 4. Time node

The generic name may be different over time.

#### One case that not belong to generic name.

As above mentioned "You Pan" case, when the trademark "You Pan" was applied, it's not a generic name, but gradually becomes a generic name after the use of the holder Lang Ke company. **Another case of generic name.**


"WeChat" (trademark  微信, application no. 9085979) can make an instant communication, however, Tencent company clearly stated in its propaganda that WeChat is developed by Tencent company, emphasizing on "WeChat" as a chat tool, and thus consumers will know the correspondence between "WeChat" tool and Tencent company, which causes the trademark "WeChat" to take the role of distinguishing products/the source of the service, so "WeChat" isn't recognized as a generic name.

Therefore, three special time nodes, i.e., application date, registration date, and dispute day, can effect generic name over time.

### III. Should others be prohibited from properly using a generic name in a trademark?

According to relevant provisions of Articles 11, 49 and 59 of the Trademark Law, a trademark may be recognized as a generic name at the time of application or during use, and if the generic name is included in another trademark, the holder of the former does not have the right to prohibit others from properly using the usual meaning of a generic name in the latter.

**In the case of "Zhu Jia Zhuang Bi Feng Tang and device" trademark dispute.** The trademark is "Zhu Jia Zhuang Bi Feng Tang and device" (logo , application no.1427895), and the Supreme Court decided that the trademark '

Bi Feng Tang ' (logo , application No.1055861) in the name of Shanghai Bifengtang company is a generic name for a flavored dish or cooking method of a dish according to relevant

provisions of Articles 11, 49 and 59, and Shanghai Bifengtang company does not have the right to prohibit Pan Shi Yi Zhou company from properly using the trademark "Zhu Jia Zhuang Bi Feng Tang and device".


The reasons include:

1. the cited trademark ' Bi Feng Tang ' (logo , application number 1055861) in the name of Shanghai Bifengtang company is a generic name for a flavored dish or cooking method of a dish. It lacks distinctiveness according to the provisions of Article 11 and may not be registered as a trademark. The trademark "Zhu Jia Zhuang Bi Feng Tang and device" is markedly significant as a whole, and is a legitimate use case as stipulated in Article 59;

2. The second-instance appellee, Pan Shi Yi Zhou company, adheres to the normal market competition order of the catering industry and provides a series of evidences that "Bi Feng Tang" is a flavor series of the catering industry, the generic name should not be exclusive to Shanghai Bifengtang Company, and there is a special relationship between the two parties, and thus it's obviously malicious to apply for registration as a trademark while knowing the existence of the generic name "Bi Feng Tang";


3. The Supreme Court emphasized that as long as it does not cause confusion or misunderstanding of the relevant public, Shanghai Bifengtang Company cannot prohibit others from using the word Bi Feng Tang properly in the meaning of "harbor for avoiding the typhoon" and "a flavoring dish or cooking method".

#### In another case of "DA YI MA" trademark dispute.

Kang Zhi Le Si company applied for the trademark "Da Yi Ma and device" (logo , application no.12358149), and repeatedly complained to Apple Inc. that "Meiyou Da Yi Ma Software" constitutes trademark infringement and requested to prohibit Meiyou from using "Da Yi Ma" as a keyword to search in Apple's APPs. Meiyou company replied that "Meiyou Da Yi Ma Software" legally used its own trademark "Meiyou Da Yi Ma", and requested the judges to determine that the trademark "Da Yi Ma and device" is not significant and should be invalid. The reasons by Meiyou are that the main part "



Da Yi Ma " of "Da Yi Ma and device " is a name of a kind of relatives, especially referring to the mother's sister, and " Da Yi Ma " has become synonymous with women's menstruation in China, which constitutes the provisions of Article 11, and shall not be registered as trademarks. The judges finally ruled that the trademark " Da Yi Ma and device" was invalidated in the decision of [2017] No. 000160612 [6]. However, Kang Zhi Le Si company filed a lawsuit and insisted that the registered trademark "Da Yi Ma and device" did not comply with the provisions of Article 11, and the trademark comprises the Chinese

character " Da Yi Ma" and the figure  "大姨妈", and thus has distinctiveness in all. In the first-instance stage, the Beijing Intellectual Property Court approved Kang Zhi Le Si company's point of view that the registered trademark," Da Yi Ma " plus the figure, has distinctiveness in all. At present, the case is still in course of the second instance by Beijing High Court.

In author's opinions, the case of " Da Yi Ma " is similar to the case of " Bi Feng Tang ". They are all related to customary words rather than words created by trademark holders. The Chinese character " Da Yi Ma " refers to women's menstruation, and the Chinese character " Bi Feng Tang " refers to a flavored dish or cooking method. Both the applicants maliciously applied for the trademarks, and attempted to register the generic names of certain goods as trademarks and then to prohibit the proper use of other operators in the same industry. The term "Da Yi Ma" as a synonymous name with women's menstruation is related to the normal operation of the menstrual management assistant software as a public resource. It's a customary product of network users, instead of a vocabulary that a company strives to create, so it should be used as a public resource and the proper use by the industry within the scope of the term of women's menstruation. Kang Zhi Le Si company has always recognized the Chinese term " Da Yi Ma " refers to women's menstruation in their official Weibo in Sina, and apparently it has a clear understanding of the meaning of the Chinese word " Da Yi Ma ". Of course, whether the " Da Yi Ma " could finally be recognized as a generic name, we need to wait for the judgment of the Beijing High Court.

Finally, return to the beginning of the article, why should we discuss the generic name in the trademark? It's the author's opinion that the generic name in the trademark law has the nature of public resources, it involves the balance between private rights and public rights. If the generic name is proprietary to a few people, the consumers will be at a loss when purchasing goods/services, seriously disrupting the normal market order among peer companies. Thus, laws around the world generally state that it is forbidden to privatize generic names through trademark registrations, that is, public resources cannot be exclusively owned by private.

Note:

[1] Article 10 of the Supreme People's Court's Provisions on Several Issues Concerning the Trial of Administrative Cases Concerning the Authorization and Confirmation of Trademarks:

"If the trademark is a legal goods name or a customary goods name, the people's court shall determine that it's a generic name pursuant to article 11 paragraph 1 subparagraph 1 of the trademark law. If it belongs to a generic name in accordance with the law or the national standard or industry standard, it shall be recognized as a generic name. If the relevant public generally believes that a name can refer to a class of goods, it should be recognized as a generic name that is customary. If it's listed as a goods name by a professional reference book or a dictionary, it can be used as a reference for the generic name of the established convention.

Conventional generic names are generally judged by the general knowledge of the relevant public across the country. For the fixed goods in the relevant market formed by historical traditions, customs, geographical environment and other reasons, the people's court can recognize the commonly-used name in the relevant market as a generic name.

If the trademark applicant knows or should know that the trademark applied for registration is the customary goods name in some areas, the people's court may regard the trademark applied for registration as a generic name.

The people's court examines whether the trademark is a generic name, and generally

refers to the fact at the time of the trademark application date. If the fact changes when the registration is approved, it shall be judged as to whether it belongs to a generic name or not based on the fact at the time of approval of registration.”

[2] Supreme People's Court Administrative Ruling (2017) SPC Xing Shen Zi No. 189

[3] Supreme People's Court Civil Judgment (2016) SPC Min Zai Zi No. 374

[4] Supreme People's Court Civil Ruling (2013) SPC Min Shen Zi No. 1643

[5] Yuan Bo, Shanghai No. 2 Intermediate People's Court, “Rules for the Determination of Generic names of Commodities”

[6] "Adjudication of request for invalidation" No. 000160612(2017)

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