

Highlights of July



World Trademark Review Recognizes Spring Chang Among Its Global Leaders for 2021

We are pleased to announce that Spring Chang, founding partner of Chang Tsi & Partners, was recognized by World Trademark Review (WTR) as one of its "Global Leaders" for 2021.

Chang Tsi & Partners Awarded as the Best Agency by Tencent Legal

We are happy to receive an appreciation letter and are honored to be awarded as 2021 Best Agency for our efficient and effective legal services by Tencent, a leading multinational technology company specialized in Internet-related services.

Spring Chang Recognised as Leading Female IP Practitioners by Managing IP

Managing IP, a well-known international media focused on intellectual property, has recently released the 2021 edition of Managing IP's Top 250 Women in IP. Spring Chang, Founding Partner of Chang Tsi & Partners, is listed as one of the leading female practitioners.

Chang Tsi & Partners has been Offering a Customized Online-Training on Amendment of China Patent Law

It has been 12 years since the last amendment made in 2008. Now, long-awaited changes are critical as this implies that China further

strengthens protection generally and keep pace with international developments. The new patent law allows to institute patent lawsuits concerning generic drug applications under the patent linkage system.

Holiday Notice

Please note that the following dates have been declared as Public Holiday in conjunction with Mid-Autumn Festival.

Mainland China: 19-21 September 2021

Taiwan: 18-21 September 2021

Hong Kong: 22 September 2021

Macao: 22 September 2021

National Intellectual Property Administration of China, Chinese courts, Intellectual Property Department of Hong Kong, Economic and Technological Development Bureau of Macao, Taiwan Intellectual Property Office, as well as our local offices will be closed respectively during these periods. All deadlines for trademark, patent, and other legal matters that would occur during this period will be automatically extended. Should you have any urgent cases, please let us have your instructions ahead of the holidays..

Chang Tsi Newsletter

World Trademark Review Recognizes Spring Chang Among Its Global Leaders for 2021

We are pleased to announce that Spring Chang, founding partner of Chang Tsi & Partners, was recognized by World Trademark Review (WTR) as one of its "Global Leaders" for 2021.

World Trademark Review is the world's only independent daily news and information service dedicated exclusively to reporting on trademark issues for in-house and private practitioners internationally. Its full-time research team and deep survey over a four-month period makes it a trusted source.

WTR Global Leaders draws on WTR's market-leading research projects - the WTR 1000 and the WTR 300 - to identify the best of the best in trademark practice. To qualify for inclusion in WTR Global Leaders, individuals must be ranked in the gold tier of the WTR 1000. Meanwhile, for those from the corporate world, inclusion is based on listings in the WTR 300.

WTR also conducted additional research before deciding on the final list. Many nominees did not receive the requisite number of nominations or make it through the vetting process; those who did are included in WTR Global Leaders, reflecting

their top-tier status in the corporate brand environment.

Spring Chang is known for her deep expertise and remarkable experience in the field of intelligence property. As WTR describe, "For top international brands navigating the evolving Chinese market, there are few better guides than Spring Chang. Innovative, efficient, strategic and service minded, she displays total commitment to her clients and to optimising their IP positions and approaches."

The Managing IP Awards programme is the most comprehensive and widely respected IP awards event in the world. Now in its 16th year, the programme covers a wide range of IP practice areas and more than 30 jurisdictions. Each year MIP's research analysts obtain information from thousands of firms, IP practitioners and their clients through interviews, email and online surveys.

The Editorial Team highlights the notable accomplishments of Chang Tsi & Partners in the past year, e.g. representing Dairy Queen in opposition proceedings and securing a favourable outcome to safeguard the company's business interests, and representing Guinness World Records Consulting in opposition proceedings to consolidate its trademark rights and market share.



The graphic features a dark blue background with a white and gold geometric pattern of interconnected lines and dots on the left side. In the center, the letters 'WTR' are displayed in a large, bold, white font with a gold outline. Below this, a white banner with a gold border contains the text 'GLOBAL LEADERS' in a bold, blue, sans-serif font. Underneath the banner, the name 'Spring Chang' is written in a large, white, sans-serif font, with 'Chang Tsi & Partners' in a smaller, white, sans-serif font directly below it. At the bottom of the graphic, a dashed white line separates the main text from a quote: 'WTR says: For top international brands navigating the evolving Chinese market, there are few better guides than Spring Chang. Innovative, efficient, strategic and service minded, she displays total commitment to her clients and to optimising their IP positions and approaches.'



Chang Tsi Newsletter

Chang Tsi & Partners Awarded as the Best Agency by Tencent Legal

We are happy to receive an appreciation letter and are honored to be awarded as 2021 Best Agency for our efficient and effective legal services by Tencent, a leading multinational technology company specialized in Internet-related services.

From the appreciation letter, Tencent Legal has expressed its thankfulness for our IP strategic analysis, effective solutions and has emphasized how Chang Tsi collected the frontier cases and information, providing critical reference for decision-makers of Tencent.

In addition to Tencent, Chang Tsi & Partners has been providing legal services for many Fortune 500 companies for nearly two decades. We are privileged to have earned the trust and confidence of companies from America, Europe, Asia Pacific, and Africa in a diverse range of fields such as Energy, Sport & Entertainment, Manufacturing, Retail, Transportation & Tourism, Food & Beverages as well as Banking & Financial Services.

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When deciding who to select for the Top 250 Women in IP publication, the research analysts of MIP took account of all the available research information obtained for the 2021 edition of IP STARS as well as the Managing IP Awards.

This special publication, which we launched in 2013, recognises some of the senior female IP practitioners in private practice who have performed exceptionally for their clients and firms in the past year. This year's list features more than 30 jurisdictions and different regions of the world.



Top 250 Women in IP
30+ jurisdictions
250 practitioners recognised
200+ firms featured

Chang Tsi & Partners has been Offering a Customised Online-Training on Amendment of China Patent Law

The 4th amendment to China Patent Law officially came into effective on June 1, 2021. The highlight of changes are:

- Patent Term Extension (PTE) – especially in pharmaceutical field
- Patent Linkage System
- Open Licenses
- Design Patent
- Punitive Damage
- Statutory Damage
- Discovery Proceeding for Deciding Damages

It has been 12 years since the last amendment made in 2008. Now, long-awaited changes are critical as this implies that China further strengthens protection generally and keep pace with international developments. The new patent law allows to institute patent lawsuits concerning generic drug applications under the patent linkage system. More design patent applications are expected to be filed, given the expanded scope of protection of partial design. The extended protection term of design patents to 15 years better prepares China to access to the Hague Agreement. The increased statutory damages, introduction of punitive damages, and the shift of burden in proving damages in infringement actions will motivate patentees to enforce their patents before courts in China. The empowerment of the China National Intellectual Property Administration to adjudicate patent infringement disputes of significant national impact could improve patent enforcement in

general and the value of patents. These changes have a major impact on both prosecution and enforcement.

Although the newly amended patent law in China seems much similar to those of other regions, e.g. U.S. and Europe, critical differences that will significantly impact your cases still exist in between countries.

Therefore, along with the new changes, Chang Tsi & Partners has been offering clients overseas a customised online-training on above-mentioned highlights (with your preferences) to best protect rights of clients and leverage new opportunities.

Previous Insights regarding the Fourth Amendment of China Patent Law:

Introduction to the Fourth Amendment to Patent Law of China In Design Patents

(<https://www.changtsi.com/news/insight/1727.html>)

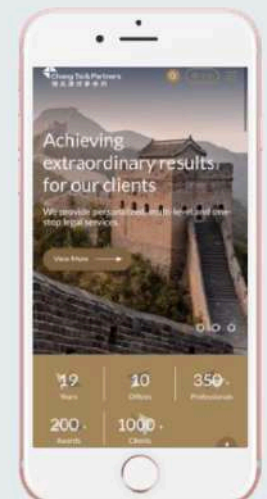
Introduction to the Fourth Amendment to Chinese Patent Law

(<https://www.changtsi.com/news/insight/318.html>)

Chang Tsi & Partners is a leading full-service Chinese law firm with a strong reputation in intellectual property and litigation. Established in 2002, Chang Tsi & Partners always integrates legal solutions and peace of mind in China's competitive and turbulent market.

Visit our website for more information.

www.changtsi.com





WTRTM

GLOBAL LEADERS

Spring Chang
Founding Partner | Chang Tsi & Partners

2021

INTERVIEWS WITH THE
PINNACLE OF THE
TRADEMARK PROFESSION

Spring Chang

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Biography

Named the world's leading IP lawyer by Chambers & Partners, Spring Chang has extensive knowledge and experience of trademark and design patent law. Leading a number of professional advocacy teams with diversified backgrounds, her sharp judgment and creative problem-solving skills have been valued by multinational companies in a wide array of business fields, including consumer goods, apparel, electronics and pharmaceuticals. In addition, Ms Chang is a keen advocate of design rights as a means of providing additional protection for products.



What has been the secret to your success over the years?

I would say that if there has been any secret to my success, it must be life-long learning and a passion for work. It is challenging yet fascinating to keep one's expertise up to date in the IP field, which is ever changing. I am excited and filled with a sense of accomplishment when developing and enforcing strategies tailored for my clients in China and overseas.

Who would you say has had the biggest impact on your career?

My father and my mother are both my idols. My father is an extremely hard-working and energetic engineer (he became a professor later in his career). He taught me repeatedly when I was young that girls can be as successful as boys so long as I work hard. He has shown me that learning is a life-long career and what he taught me has been inspiring me so far. My mother as a teacher is a very optimistic lady and a woman of action. She has had a strong influence on my personality.

What has been one of your biggest achievements over the past year?

I have been practising for nearly 30 years and during my career I have trained many IP lawyers. Regardless of whether they are still working with Chang Tsi & Partners, I am amazed when I see and hear of their progress and am very proud of all of them. I think that my biggest achievement is to assist young lawyers to grow because they are the future of intellectual property in China.

How do you convince clients to invest in IP protection from the outset?

"The best time to plant a tree was 20 years ago, and the second-best time is now." I always tell my clients that we should invest in IP protection as soon as possible, even if their business is still being developed. Such investment at an early stage is relatively costless but more effective for long-term operations, especially considering that the amount of clear land available for intellectual property is limited. If trademarks become registered by others or legal rights infringed, clients will have to spend more on legal or business actions to put this right. It should be remembered that patents, trademarks and other forms of intellectual property are assets for companies – that is why they are termed as 'property'.

What are the most important nuances for international rights holders to be aware of before pursuing litigation in China?

The most important thing of which international right holders should be aware before pursuing litigation is the objective of that litigation *per se*. Objectives can vary significantly but any litigation strategy must be developed with the objective – whether that is to stop an infringement, to acquire compensation, to send warning signs to force other infringers to pay patent royalties, to push for a letter of consent, to acquire IP rights or a combination of all or some of these - at the forefront. Only with a thorough understanding of the client's objective, can we develop a precise and tailored strategy for the litigation.

The Chinese authorities have made clear their intentions to continue strengthening IP protection in the region. How is the IP regime improving and what still needs to be done?

China continues to make efforts to protect and enforce IP rights in a better way, many of which are being recognised by lawyers and IP counsels from different countries. The Chinese government has published a series of laws and regulations to resolve IP disputes in various areas, including those of trademark, patent, copyright and e-commerce. Based on our experience, the civil servants of IP-related authorities (eg, Customs, the courts and IP administration), are being more professional and efficient than ever before. I believe that China's IP regime has largely improved. However, it cannot be denied that challenges remain. For instance, the Chinese government should consider taking further actions to establish an updated and comprehensive legal framework for areas such as trade secrets and uneven enforcement. It might also need to deal with the significant procedural barriers for both foreign and domestic companies. Notwithstanding this, the situation is getting better and we can expect to see further improvement.

How hopeful are you that recent amendments to the Criminal Law will help to deter IP infringement in China?

Putting infringers in gaol is extremely effective as a means of deterring IP infringement. The recent amendments have made the Criminal Law clearer and more easily enforceable. That is the positive part. The big challenge lies in the practical execution. In particular, it is still difficult for a rights holder to acquire

preliminary evidence before reporting a criminal case. In addition, it can still be difficult to persuade public security bureau officers to accept a criminal case as the threshold for this is still high in some regions of China. We hope that the situation will be improved soon.

How can key stakeholders work together to clamp down on counterfeiting?

Efforts might include paying close attention to changes of legislation and practice and best utilising these to develop a comprehensive strategy. Watching the market closely to clamp down on counterfeiting on time is also very important, especially when the counterfeiting is still small scale. Taking actions over different channels, such as border protection, and with regard to both online and offline infringement should be an important part of any enforcement strategy. Crucially, key stakeholders should take tough measures to ensure that big and/or repeated infringers serve time in gaol.

What are the biggest challenges facing clients when it comes to protecting their brands online, and how can these be overcome?

With the exponential development of the Internet and the rapid growth of e-commerce, online shopping platforms are occupying a dominant position in the market. In China, data released by the National Bureau of Statistics show that nationwide online retail sales accounted for Rmb1.1 trillion (\$164 billion) in 2019, while online retail sales of physical (ie, non-virtual, non-service) goods accounted for Rmb852.9 billion (\$127 billion). Therefore, online protection of trademarks is becoming more and more important for trademark owners. Unfortunately it is considerably more challenging to locate counterfeit goods on online platforms than it is to take action in physical shopping malls. Besides this, the phenomenon of malicious complaints can negatively affect normal business

operations. Under Article 42 of the new E-commerce Law, if a notification sent by a rights holder is incorrect and results in damages to the respondent, the rights holder must take legal responsibility for those damages. It is therefore necessary to be cautious about the legal risks when enforcing IP rights on online platforms.

To overcome these difficulties, trademark owners must take care to stay up to date with the latest laws and local regulations. Courts in China at all different levels have also issued guidelines for trademark infringement related to e-commerce. More importantly, rights holders should explore multiple methods – from routine monitoring and complaints via platforms right up to litigation – to protect their legal rights. At Chang si & Partners, we provide comprehensive, one-stop and multi-level legal services for trademark protection.

Which recent cases do you expect to have the biggest long-term impact on your clients' IP strategies?

We are extremely proud to have acted for the winning side in the trademark infringement lawsuit that secured rights for Michael Kors to use the MK Logo in China. This was a representative case in which a small local company in Guangdong – Jianfa Handcraft Factory – sued the multinational Michael Kors for infringement of trademark rights and demanded that it compensate it for economic losses and other reasonable expenses in the amount of Rmb95 million. This was one of the most valuable IP cases in China.

From 2017, we have won at first and second instance for our client, effectively safeguarding its commercial interests. Last year, the Supreme People's Court issued a ruling rejecting a retrial request. The trial was lengthy and difficult but was meaningful – not only for Michael Kors but also for other multinationals doing business in China. The case was also picked as one of the Supreme People's Court's 2019 Top 50 IP Typical Cases, as well as one of the Zhejiang Higher People's Higher Court's 2019 Top 10 Typical Cases.