

China

The Challenge of Choosing and Protecting a Chinese Brand Name

Compiled by:

[Swiss Business Hub China]

[Beijing, August 2017]

Create a Brand Name in Chinese

For a foreign company entering into Chinese market, there will be a number of tasks on its priority list, such as product registration and certification, good business model, qualified logistic or distribution partners, company location assessment and so on – but is there anything else that is important but easily overlooked? The answer is yes. It is to find a good brand name in Chinese, among others.

Why is that? Let's see an example. The U.S. home-sharing service Airbnb announced its Chinese name "Aibiying (爱彼迎)" early this year. It literally means to "welcome each other with love". Sounds nice? However, the Chinese consumers think "it is hard to pronounce two similar-sounding syllables one after the other", others also said it sounds like "to love to fulfill requests". Some Chinese netizens said: "I'm embarrassed to even put the Airbnb app with the others; it looks like an app for sex products."

When choosing a Chinese brand name, several factors need to be taken into consideration: the meaning, the sound, the tone and even the look of the Chinese characters. It requires a joint effort among marketing and PR experts, translators as well as consultants. The Swiss Business Hub is able to help you find relevant experts to choose a Chinese brand name that works.

Generally speaking, there are three ways to choose a Chinese brand name:

Create a phonetic translation

This method is suitable for brands which already enjoyed good reputation in China. For example, "Audi" is known as "Ao Di (奥迪)", Chanel is named as "Xiang Nai Er (香奈儿)". However, it needs caution to select the Chinese characters to avoid undesirable meanings.

Create a literal translation

Literal translation will impart good meaning or value to the brand. The sounds are usually different from the original. For instance, Nestlé's Chinese name is 雀巢, meaning 'sparrow's nest', which is similar to its logo.

Combine literal and phonetic translation

If the translation can combine both phonetic and semantic methods, it would be the best solution. For example, IKEA's Chinese name "Yi Jia (宜家)" sounds similar to "IKEA". Literally translated, it means "fit for one's family". There is also a Chinese idiom "宜室宜家 (Yi Shi Yi Jia)", meaning "the family is happy and the couple are get along with each other".

Register your Trade Mark in China

The best-chosen Chinese brand name will not be of use to you unless you make sure that no one else is allowed to print it on their products. Chinese trade mark protection follows a first-to-file principle, which means the application filed earlier successfully will first be approved. For foreign company plans to entering into Chinese market, it is better to register your trade mark beforehand so as to ensure "trade mark goes before marketing".

It is important to note that the registration of a trade mark in roman characters and the registration of the trade mark in Chinese should be filed separately; a registration in roman characters does not automatically protect the same or similar Chinese version as a trade mark.

Company Name vs. Trademark

Company names and trademarks are regulated by different laws and regulations, and are administered by different competent authorities. In reality, the corresponding authority will not check whether the company name to be registered has already been approved as a trade mark. Hence, it is advisable to use the key words of your company names as the trade mark so as to better protect your IP rights, such as LinkedIn for LinkedIn Corporation.

Trade mark search

It's necessary to check whether the trade mark or its similar version has been registered by other companies before applying to register it. On the China Trade Mark Office (CTMO) online platform (http://sbcx.saic.gov.cn:9080/tmois/wszhcx_getZhcx.xhtml), Chinese characters, Pinyin (phonetics), numerals, English, graphs, and prefixes in the trade mark application can be searched. Please note that there is an approximately 6 months delay in the update of the database, please contact CTMO directly to get the latest information.

Trade mark application

In China, there are two ways to register a trade mark, one is to make an international application under the so-called Madrid system, and the other is to file a domestic trade mark application.

National Registration System

A foreign enterprise or foreign applicants without residency planning to apply for trade mark registration in China have to authorize a trade mark agency to do so. The Swiss Business Hub is able to help you find a qualified trade mark agent who is capable of supporting you with the entire registration process.

International Registration System

The Madrid Protocol enables you to register your trade mark in Switzerland with the national trade mark office and then pass the application to the World Intellectual Property Organization (WIPO). WIPO will conduct a formality examination and will notify all Madrid Protocol members in which the applicant plans to obtain protection. If, within 18 months since the notification made by WIPO to China, no opposition is made then your trade mark is registered. However, if opposition is raised, you will need to authorize a local Chinese agent to deal with the case.

Revocation of trade mark

The trade mark can be revoked if it is not used in three years in China. Use of a trade mark includes using on goods, packages or containers, on trading documents, or any other business activity such as advertising, exhibition etc. Please note that the use by a third party who is authorized by the trade mark holder is also regarded as use of the trademark.

Advices

- Register your trade marks as early as possible in China, the registration process will take as long as 12 months --- 9 months for examination and 3 months for publication in the Chinese Trademark Gazette to see if there is any opposition. For international registration, it will take even longer.
- It is highly recommended to register your trade mark in Chinese. Since China requires Chinese names on products, not registering your trade mark in Chinese will leave it unprotected to bad faith registrations. If it happens, you will need to buy the trade mark back, or file for invalidation, or abandon it at all.
- It's advisable to register your trade marks through the national registration system. The reason is that under the Madrid Protocol of international registration process, the sub-classes of the Nice Classification¹ for the registration may vary from country to country, which might result in a trademark that does not protect your products or services in the proper area.

¹ The Nice Classification (NCL): established by the Nice Agreement (1957), is an international classification of goods and services applied for the registration of marks. Each of the countries party to the Nice Agreement is obliged to apply the Nice Classification in connection with the registration of marks, either as the principal classification or as a subsidiary classification, and has to include in the official documents and publications relating to its registrations of marks the numbers of the classes of the Classification to which the goods or services for which the marks are registered belong.
Source: <http://www.wipo.int/classifications/nice/en/preface.html>

References:

1. *People are making fun of Airbnb's new Chinese name*

<http://mashable.com/2017/03/23/china-airbnb-new-name/#70ML2lx13Oqa>

2. *Choosing the right Chinese name for a foreign firm*

http://www.chinadaily.com.cn/business/2010-02/01/content_9407525.htm

3. *Guide to Trade Mark Protection in China*

http://www.china-iprhelpdesk.eu/sites/all/docs/publications/EN_TM_2016.pdf

4. *How to Conduct a Trade Mark Search*

http://www.china-iprhelpdesk.eu/sites/all/docs/publications/China_IPR_Guide-How_to_Conduct_a_Trade_Mark_Search.pdf

5. *Guide to IPR Protection in China for the Cosmetics Industry*

http://www.china-iprhelpdesk.eu/sites/all/docs/publications/EN_Cosmetics.pdf

Date: 08 August, 2017

Author: CHEN Fangfang

Author's address:

Swiss Business Hub China

c/o Embassy of Switzerland in Beijing No. 3 Sanlitun Dong Wu Jie, Beijing 100600, China

Tel: +86 10 8532 7533

Fax: +86 10 6532 2736

Email: fangfang.chen@eda.admin.ch

<http://www.eda.admin.ch/eda/en/home/rep/asias/vchn/embbei/sbh.html>