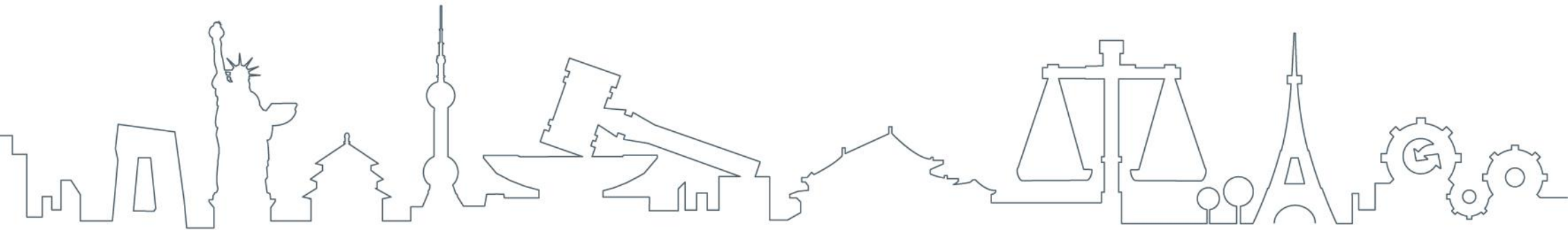
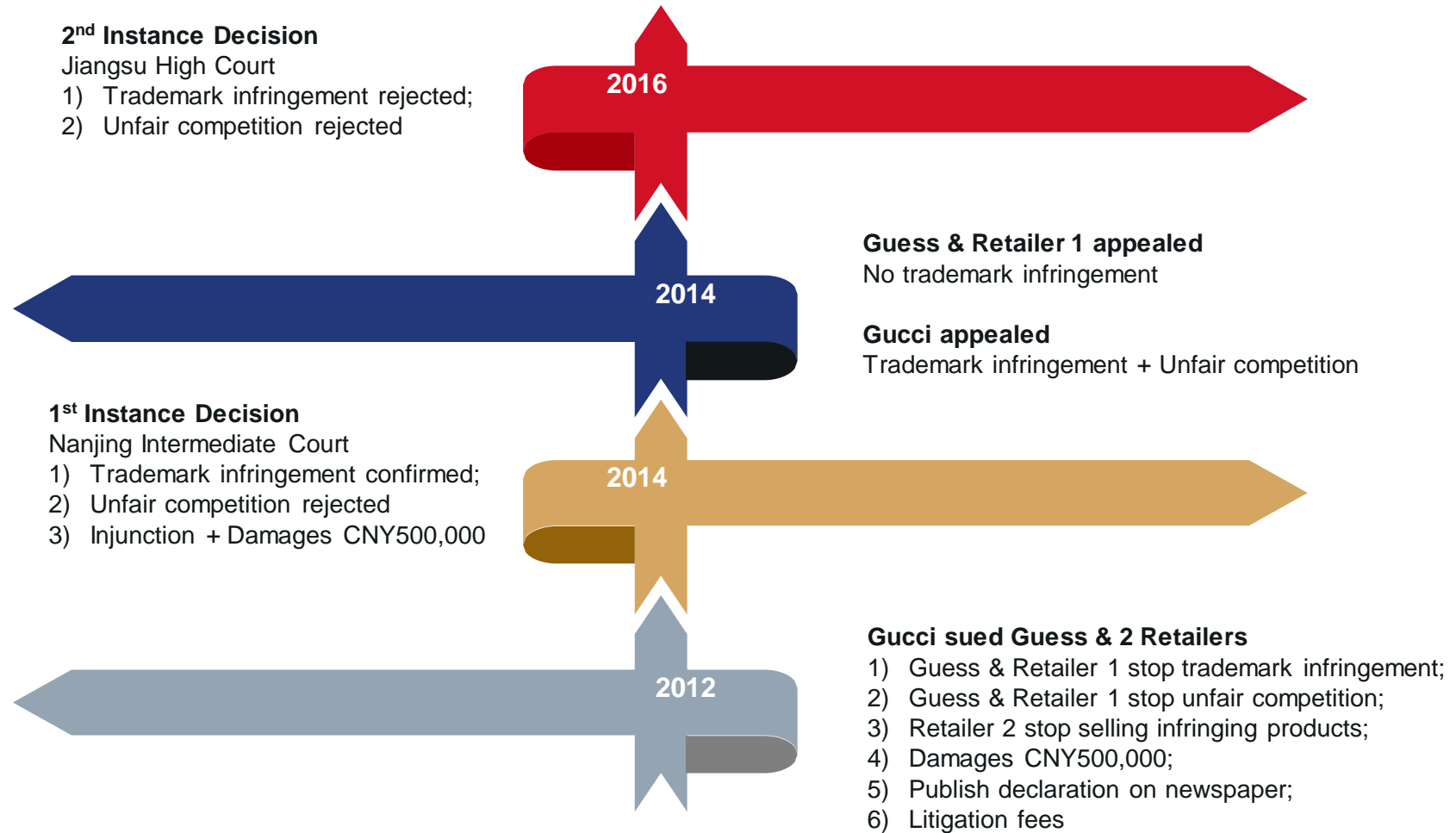


**International Trade Mark & Design/Patent Litigation:  
Gucci v. Guess – Baili v. Apple  
- China**

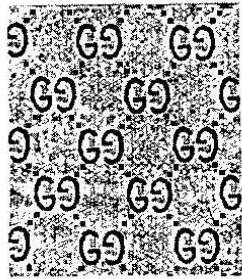


# Gucci v. Guess (+ 2 Retailers)



# Issue #1 Trademark Similarity

Gucci



Guess



◆ 1<sup>st</sup> instance: similar

◆ 2<sup>nd</sup> instance: dissimilar

# Issue #2 Single Letter Mark

“Single letter mark is *inherently weak in distinctiveness*, and thus protection should be limited. Only when the registrant has continuously used and promoted it in relation to the goods/services and obtained *high reputation and influence*, i.e. acquired high distinctiveness through use, can it be granted stronger protection”



“According to business practice, it is common to use the initial letter to refer to the trade name of a company..... such letter even being the same letter as other’s registered single letter mark, is *unlikely to cause confusion* among relevant public”

Gucci ~ G

Guess ~ G

# Issue # 3 Unfair Competition (particular decoration)

Gucci



Guess



◆ 1<sup>st</sup> instance: dissimilar

◆ 2<sup>nd</sup> instance: dissimilar



# Diamond Patterns in Other Brands

(Michael Kors, Dooney&Bourke, Longchamp, Karino, etc.)



# Market Survey

## Survey Report by Gucci:

- 1) No “do not know” or “not sure” choices;
- 2) Same time, same place, different interviewees, may influence each other;
- 3) Same interviewer, same time, different place, different interviewees, unreasonable;
- 4) Only 30% of the reports with audio recording;
- 5) Inconsistency between paper report and audio recording.

Not admitted

## Survey Report by Guess:

- 1) Investigator only showed Guess bag without comparison with Gucci bag or logo;
- 2) Many uncertain answers (e.g. “maybe not”) were recorded as “no confusion”;
- 3) Inconsistency between paper report and audio recording.

Not admitted

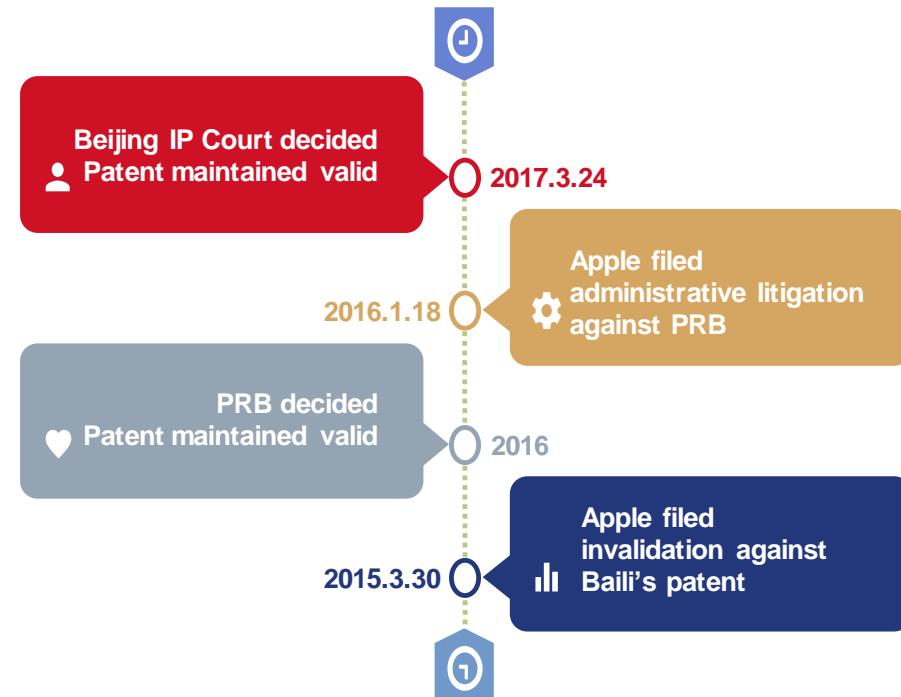
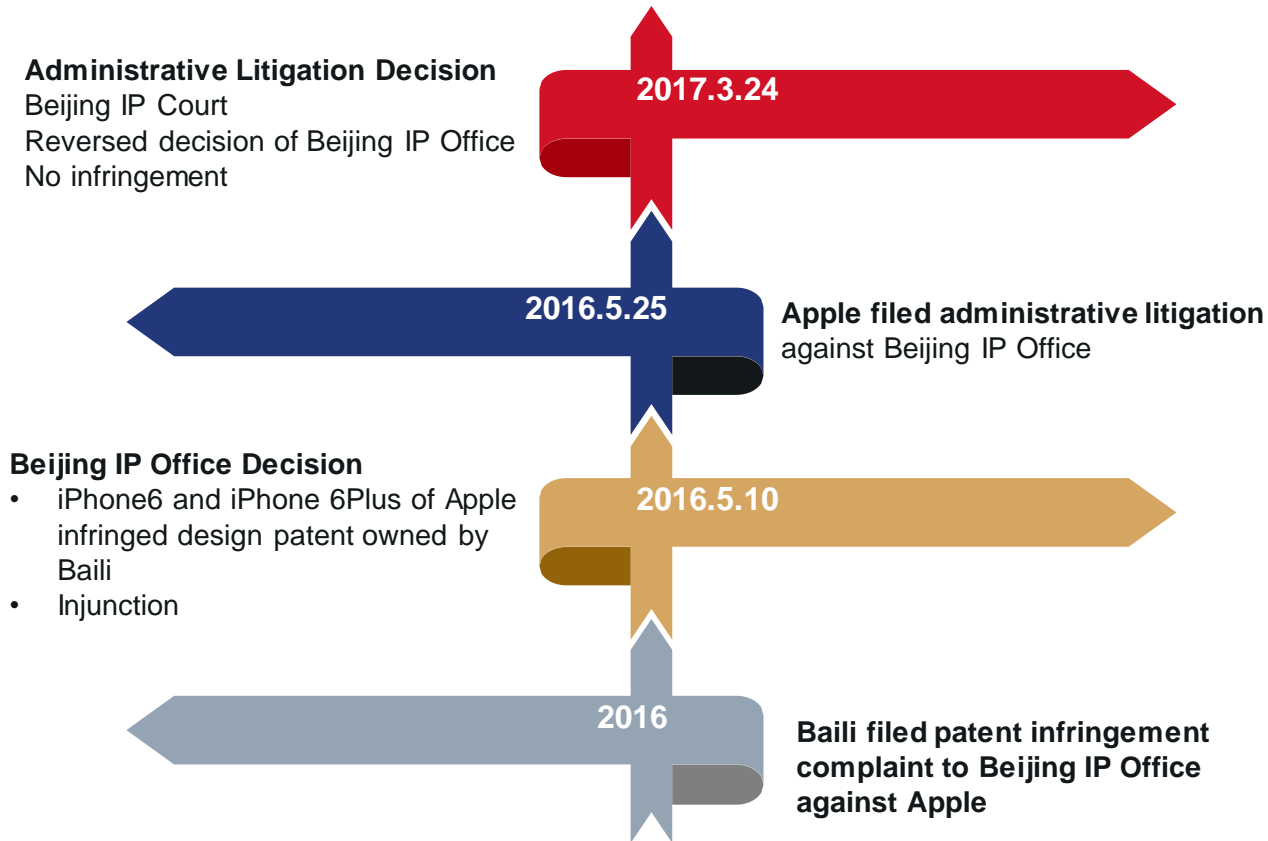
# Issue #4 Other Factors of Confusion



- Sales channel
- Shopping habits of relevant public
- History of use and co-existence
- Active enforcement or not



# Shenzhen Baili v. Apple



# Issue #1 Non-infringement Claim in Administrative Litigation



- Yes, under 3 conditions:
  - 1) Such administrative action is regarding civil dispute of patent infringement
  - 2) Such administrative action is by nature a decision about patent infringement
  - 3) The civil claim is related to the civil dispute in the administrative action

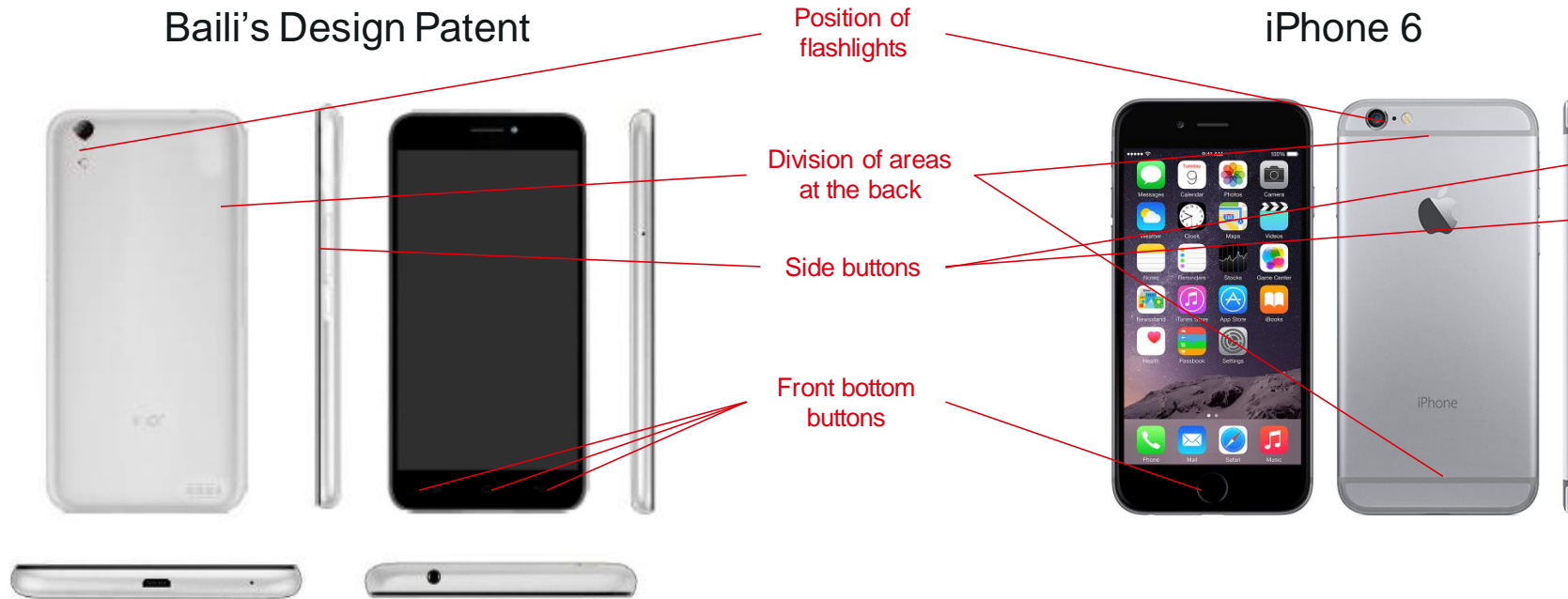
# Issue #2 Third Party or Co-respondent



- Baili filed the complaint against Zhongfu shop (retailer)
- Apple Shanghai requested to be third party
- Beijing IP Office added Apple Shanghai as co-respondent in the complaint

Court decision: Beijing IP Office's act exceeded its authority

# Issue #3 Design Similarity



Beijing IP Office: Similar

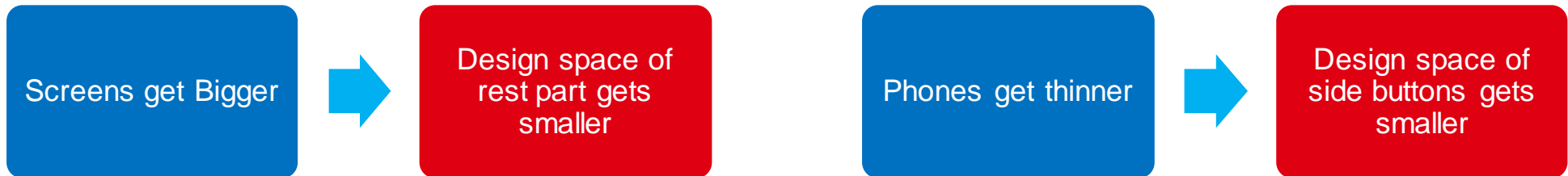
5 different features, all functional, no difference in overall visual effect

Beijing IP Court: Not Similar



13 different features, not all functional, some difference in overall visual effect

# Issue #4 Design Space

- **China Supreme Court:** *Design space refers to degree of freedom for designers when creating a specific product design. It depends on prior art, technology, law and perception. Design space of one product may change as the increase of prior art, advance development of technology, amendment of law and change of perception. The evaluation should be based on the factors at the time when infringement acts occur.*



# Issue #5 Prior Design Defense

	Baili's Design	Prior Design
Title	Mobile phone (100C)	Electronic equipment
Locarno Classification	14-03 (communications equipment, wireless remote controls and radio amplifiers)	14-01 (equipment for the recording or reproduction of sounds or pictures)
Figures		

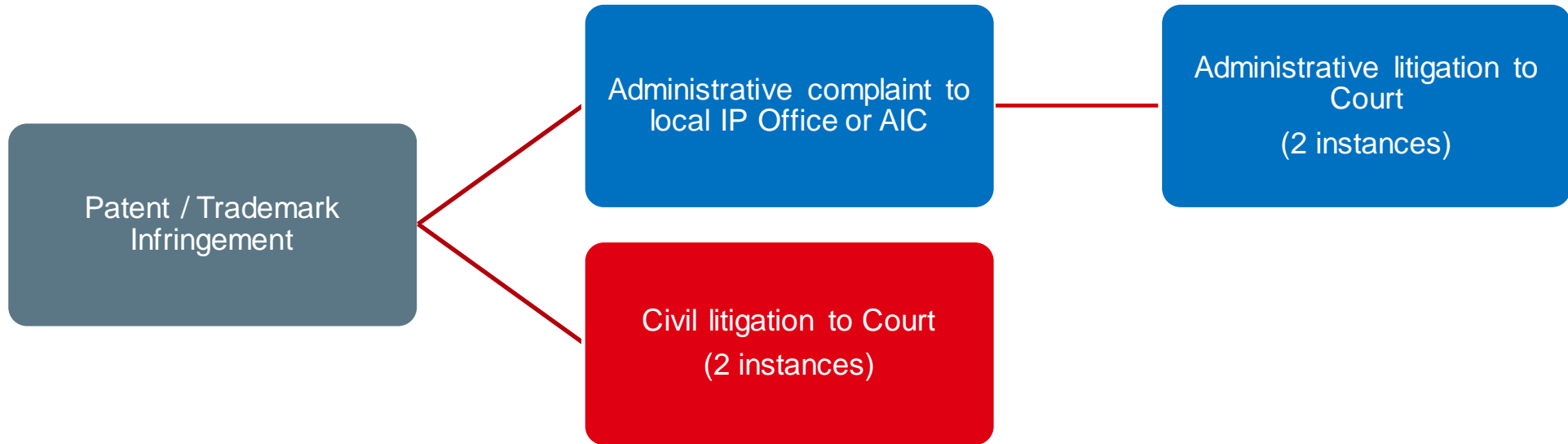
**Beijing IP Office:** Different Classes, different products, cannot serve as prior design

**Beijing IP Court:** Similar products, can serve as prior design

(PRB also included this design as reference 10 in invalidation against Baili's design patent)



# Administrative Action & Civil Litigation





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