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법학석사학위논문

**Trademark Issues in Entertainment
Industry**
엔터테인먼트 산업 중 상표문제

2017 년 2 월

서울대학교 대학원

법학과 법학전공

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Abstract

Trademark Issues in Entertainment Industry

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Entertainment industry is a fast progressing and very profitable business all over the world. Nowadays, there are a lot of cooperation among entertainment enterprises of US, Korea and China. In order to protect and enhance the development of this industry, there is a huge demand for related laws and legal services. However, experts and lawyers specialized in entertainment law always focus on those legal issues most relevant to the regular process of the production, distribution and retailing of an entertainment work, such as agent contract signing and copyright clearing, and sometimes neglect other less relevant issues, like trademark issues. Even in textbooks of entertainment law for US law school students, trademark law is briefly and generally introduced. No specific trademark issue is analyzed thoroughly. However, a lot of cases have already showed the importance of trademark issues in the entertainment industry. As a Chinese trademark law professional who has studied US IP law in a Korean university and who are very interested in entertainment, I am writing this thesis in order to raise the attention on trademark issues in entertainment industry and give suggestions to legislators and lawyers in this area.

In the introduction, I explain the importance of trademark issues by analyzing a recent case in China, “the Voice of China” case and listing various advantages of trademark right compared to copyright. In the main body, I divide those important trademark issues into two categories, one before trademark registration and one after that.

Before trademark registration, we need to know what to apply, when to apply and who to apply. I introduce some special types of trademarks that are usually used by entertainment enterprises, such as name of celebrities, works and characters, three dimensional marks, sound marks and motion marks. I analyze the requirements of trademark registrability, including priority of the right, distinctiveness, legality and etc. I focus on those special issues related to entertainment industry, like the cross-class characteristic of entertainment service and trademark squatting. In my opinion, nowadays in modern society with high developed technologies, goods may have multi functions and services may have multi ways and purposes. Thus, it is better to be open minded in admitting double characters of one good or service. I analyzed the “星光大道” (Star Road) case and “非诚勿扰” (Feichengwuraο) case in details to prove my idea. As to trademark squatting, the most serious problem in China, I illustrate three reasons to it and give respective suggestions to solve the problem. I also give advice to Chinese examiners on quoting a comparatively appropriate article within the range of legality requirement to refuse bad faith applications. Furthermore, I introduce a special requirement on trademark application. That is “not an illegal conversion of copyright and related right.” In the end of this part, I also explain how to make a good deal on the right to apply for trademarks.

After trademark registration, we need to know how to use, protect and restrict a registered mark. We shall avoid cancellation of a mark on non-use ground, and prevent infringement, especially dilution and reverse confusion. At the same time we shall respect trademark fair use, particularly the fair use by entertainment enterprises, including descriptive fair use, functional fair use, prior right fair use, nominative fair use and so on. In this part, I especially introduce a new article in Chinese Trademark Law on “no liability for damages to a non-used mark”, mention the difficulty in asserting dilution and suggest entertainment enterprise to avoid reverse confusion. For trademark fair use, I list different definitions and illustrations given by different trademark law systems, and remind entertainment enterprise to refrain from some controversial issues like trademark parody and comparative advertising.

From the discussion, we may find out that the trademark protection systems in US, Korea and China related to entertainment industry are in different developing stages. Moreover, due to the complexity of entertainment industry and its related IP rights, it is hard to make a good balancing between trademark right and other IP rights, or a clear distinction between use and misuse, fair use and infringement of trademark right. Hence in conclusion, I suggest legislators and scholars in this area to learn from those advance theories and practices to promote the development of its own country's trademark protection system and entertainment industry.

To sum up, there are three main characteristics of my thesis. The first one is about the structure. I arrange those trademark issues in the time flow of a trademark's designing, application, registration, using and protection, so that readers may have a good understanding about the relations between those trademark issues. The second one is about the comparison. As to almost all issues,

I list the similarities or differences among US, Korea and China, so that readers may know in different countries, they need to deal with trademark issues differently. The third characteristic is about examples. I carefully select trademarks and cases closely related to entertainment industry, so that readers may feel the importance of trademark issues to this industry.

Key words: Entertainment; Trademark; Registrability; Confusion; Trademark squatting; Fair use.

Student ID: 2013-23892

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I. Introduction

A. Status of Entertainment Industry and Its Related Laws in US, Korea and China

Entertainment industry is a fast progressing and very profitable business all over the world. In order to protect and enhance the development of this industry, there is a huge demand for related legal regulations and services.

The United States is the leader in this industry for almost a hundred years. Hollywood, metonym for the motion picture industry of the United States, is the core of the whole world's entertainment industry. The United States' laws and legal practices related to this area are well developed in the last century. Entertainment law even becomes a new course in US law school.

Korea has become a rising star in this area during the past two decades. Since 1998, Korean government has been upholding strategies for “culture orientated national development” and building culture industry as Korea's pillar industry.¹ These efforts are so successful that K-pop music and Korean drama are now world famous. Learning from US entertainment law theory and practice, Korean law in this area has been much improved in these years.

In China, entertainment industry also sees a rapid growth after the government issued revitalization plan of the cultural industry in 2009. Seeing the great potential of this market, investors and stars all over the world rushed into Chinese entertainment industry. However, Chinese law and its practice related to this industry are far behind the demand thereof.

¹ Xiang Yong, Kwon Ki Young. Study of Culture-orientated National Development Strategy in South Korea. Journal of Huazhong Normal University(Humanities and Social Sciences, 2013-04

B. The Importance of Trademark Issues in Entertainment Law

1. Current Status of Entertainment Law

According to the theory of US Entertainment law, Entertainment industry embraces several forms of media like movies, television, live theater, music, sports, and publishing, while entertainment law also covers a wide range of laws, such as corporation law, contract law, labor law, copyright law, trademark law, antitrust law and so on². Because of the complexity of the industry and its relevant laws, it is hard to be familiar with all legal issues within this area. Thus, experts and lawyers specialized in entertainment law always focus on those legal issues most relevant to the regular process of the production, distribution and retailing of an entertainment work, such as agent contract signing and copyright clearing, but sometimes neglect other less relevant issues, like trademark issues. Even in textbooks of entertainment law for US law school students, trademark law is briefly and generally introduced. No specific trademark issue is analyzed thoroughly. However, a lot of cases have already showed the importance of trademark issues in the entertainment industry.

2. A Case Study on the Importance of Trademark Issues Compared to Copyright Issues

² Helewitz, Jeffrey A., Edwards, Leah K.. Entertainment Law. Clifton Park, N.Y.: Thomson/Delmar Learning, 2004.

a. “The Voice of China” Case: *Talpa Holding v. Canxing Production & Zhejiang Television*

“The Voice of China” case burst out recently well illustrated the heavy price paid for ignoring the importance of trademark in entertainment industry. “The Voice of China” is a Chinese reality television singing competition produced by Canxing Production and broadcast on Zhejiang Television since July 2012. Based on the original format of “The Voice of Holland” owned by Talpa Holding, the concept of the competition is to find new singing talent contested by three main phases: a blind audition, a battle phase, and live performance shows. In 2016, contractual disputes arose between Talpa Holding and Canxing Production. The former has licensed another producing company, Talent International, to produce the upcoming seasons of the show. In a response to the dispute and to prevent copyright breaches, Canxing Production changed the symbolic item of the competition, “revolving chair” to “sliding chariot”, and continued to produce the program. But by claiming the protection of trademark right, Talent International successfully got a preliminary injunction from Beijing IP Court that forbids Canxing Production and Zhejiang Television to use “The Voice of China” and its Chinese name “中国好声音” just before the launching of their 2016 season. Finally, the show was re-branded into “Sing! China” and “中国新歌声”.³ Although huge advertising fees were paid for the publicity of the new names, the ratings of 2016 is 3.8, much lower than 5.3 of last year and 4.3 of the year before last.

3 Newsgd.com. Music talent show 'Sing! China' premiered on July 15. Sohu, July 20,2016.



b. Advantages of Trademark Right compared to Copyright

Why trademark dispute is more destructive than copyright dispute in this case? There may be two reasons. **First**, it is because of the substantial relation between a trademark and a business. For every business, including those in entertainment industry, good will or reputation is most important. Otherwise no one will buy its goods or services. Trademark is the symbol of this reputation. In this case, when Zhejiang Television and Canxing Production used a new name for their program, they lost their good reputation that has already been symbolized in its old mark. But I do not think Talent International could make a huge profit out of the mark, even if it won the case in the end. Because the reputation of the program “中国好声音” belongs to Zhejiang Television and Canxing Production. Without good will, trademark is worth nothing.

Second, comparing to copyright, trademark right has various practical advantages. Firstly, the period for trademark protection can be infinite if the trademark holder continues to renew its right. However, in every country, the term for copyright protection is limited. Secondly, the range of trademark protection is much wider than that of copyright. Copyright is only related to its work. A

trademark can be registered on various goods and services. Thirdly, trademark right is much stronger than copyright. Copyright cannot exclude free-riders' similar ideas while trademark right can exclude similar marks that confuse the public.

Therefore, in this case, compared to changing the expression of ideas to avoid copyright infringement, changing the trademark which indicates entertainment service provider is even harder. This case taught us a good lesson that when we plan to sign a copyright license agreement, it is better to make a clear arrangement about related trademark issues too.

C. Objective and Structure of This Thesis

Nowadays, there are a lot of cooperation between entertainment enterprises of US, Korea and China, similar to the model of "The Voice of China", especially on film producing between US and China as well as TV program producing between Korea and China. Hence, lawyers for entertainment industry need to know how to acquire and protect trademark rights in these three countries. Thus, as a Chinese trademark law professional who has studied US IP law in a Korean university and who are very interested in entertainment, in this thesis, I compare those mature legal regulations and practices on trademark issues in US and Korea, to those relevant problems in China, supported with various examples of trademark issues closely related to entertainment industry. I divide those important trademark issues into two categories, one before trademark registration and one after that, hoping to give lawyers overall, logical and vivid impression of all trademark issues in this area, as well as practical knowledge and skills to deal with those issues. I also try to give suggestions to Chinese legislators on how to improve Chinese trademark

system by learning from US and Korea, in order to promote the development of Chinese entertainment industry.

II. The Issues in Trademark Application Related to Entertainment Industry

A. Types of Trademarks

As trademark is the symbol of a business's good will or reputation, an intangible property of a company, it shall be tangible, so that we can protect reputation through the protection of trademark. Thus, it shall be something that can be seen, heard, smelt, tasted or touched. According to *Article 15 paragraph 1 of TRIPs Agreement*⁴, "Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colors as well as any combination of such signs, shall be eligible for registration as trademarks." Therefore, a lot of elements in entertainment industry are registrable as trademarks, such as names of singers and film stars, names of books and TV programs, etc. Besides those traditional types of trademarks listed in the Article, nowadays some non-traditional types of trademarks occurred and attracted much attention. They can also be widely used in entertainment industry.

1. Traditional Trademarks in Entertainment Industry

a. Name of Celebrity

⁴ Agreement on Trade-Related Aspects of Intellectual Property Rights of April 15, 1994.

As entertainment industry is well promoted by various medias, its participants, like singers, actors, sportsmen and authors, are easily to be well known. Thus, using the name of a celebrity in entertainment industry as a trademark is a good way to promote goods or services. For example, “Li Ning”, the name of Chinese most famous Olympic Champion of gymnastics, is now Chinese most well-known sports goods brand. In the United States, Nike Inc. uses “Jordan” in one of its series brands. In Korea, benefit from the popularity of Korean entertainment industry, trademarks of Korean stars' names are also popular. According to the statistics of Korean Intellectual Property Office (hereinafter KIPO), up to the end of 2013, the number of trademark applications for names of Korean stars was over 5000⁵. For instance, "EXO" and "Girl's Generation" trademarks are registered by SM Entertainment.⁶

b. Name of Work

Names of entertainment works, including names of books, dramas, films, TV/radio programs are usually used as trademarks. "Harry Potter" is this type of trademark. It is used on foods, beverages, toys, stationary, clothing, theme park and travel services. It is now worldwide well known and worth billions of US dollars.⁷ “Running Man” (런닝맨) is a famous Korean variety show and was registered as trademarks by SBS Contents Hub. “Dae Jang Geum” (대장금) is the MBC’s most famous drama and was also registered as a trademark.⁸ “The Voice of China” case that I mentioned at the beginning is also related to trademark right derived from a TV program.

5 Cheng ia. Korea’s Entertainer Trademark Heat. China Culture Daily, January 1, 2013.

6 Kipris. <http://www.kipris.or.kr/khome/main.jsp>

7 Celia Brown. Beyond Words: The Magic of the Harry Potter Brand. Forbes, October 31, 2014.

8 Kipris. <http://www.kipris.or.kr/khome/main.jsp>

c. Name of Character

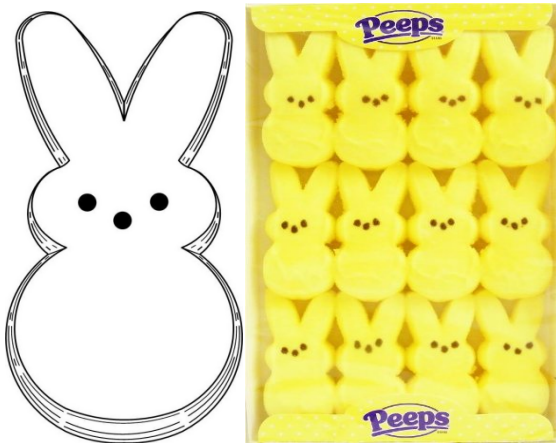
Although those famous characters in books, cartoons and films are not real, their influences are real. Character's popularity is easy to be changed into brand recognition. Those Disney characters, like "Mickey Mouse", "Donald Duck" and "Winnie the Pooh" are all children loved brands. "Harry Potter" mark and "Dae Jang Geum"(대장금) mark can also be grouped in this type.

2. Non-traditional Trademark in Entertainment Industry

a. Three-dimensional Mark

Three-dimensional signs which are capable of identifying the source of origin of goods or services may be recognized as trademarks. Normally, there are three kinds of three-dimensional marks: product design mark, product packaging marks and three-dimensional mark that has nothing to do with its product.

(1) Product design mark



The above two pictures show us a three-dimensional mark which is the shape of its product- candy (Just Born PEEPS bunnies).⁹

(2) Product packaging mark

⁹ US Reg. No. 3809165



The above two pictures show us a three-dimensional mark which is the bottle of its product-syrup (Mrs. Butterworth's)¹⁰

(3) Three-dimensional mark that has nothing to do with its product



The above two pictures show us a three-dimensional mark which is the symbol of the Michelin tire company (Bibendum)

From all these three examples, we can find out that cartoon characters are often used as three-dimensional marks. Thus, for those animation companies and game companies, registering three-dimensional marks is a good way to merchandise their products.

b. Sound Mark

¹⁰ US Reg. No. 1138877

Sound marks identify goods or services by audio means. They may include: (1) a series of tones or musical notes, with or without words; (2) wording accompanied by music¹¹. Because of its musical nature, sound mark is easily to be used by entertainment industry. The first US sound mark is registered on July 13, 1971 by National Broadcasting Company. The mark is composed of three chimes.¹² MGM 's roaring lion on entertainment services and Twentieth Century Fox' drums + trumpets +strings music on entertainment and motion picture films are also two of the most worldwide famous sound marks.¹³

In China, sound marks are accepted as eligible marks for registration only after the newest revision of *Chinese Trademark Law*¹⁴ entered into force. China Trademark Office (hereinafter CTMO) issued the registration certificate to Chinese first sound mark (No.14503615, Class 38 and 41) on May 14th 2016. The registrant is China Radio International.¹⁵ Hence, it is now a crucial time for Chinese entertainment industry to explore their sound mark rights.

c. Motion Mark

This type of marks includes moving images, which can combine colors, sounds and aspects of product designs¹⁶. Although it is rare, I believe the motion mark owned by Columbia Pictures Industries Inc. is famous throughout the world¹⁷. This mark consists of a moving image of a flash of light from which rays of light are emitted against a background of sky and clouds. The scene then pans downward to

11 Trademark Manual of Examination Procedures of USPTO of April 2016: 1202.15

12 US Reg. No. 0916522

13 US Reg. No.1395550

14 Amended for the third time on August 30,2013 and entered into force on May 1st, 2014

15 CMTO Website: <http://sbj.saic.gov.cn/>

16 INTA Website. <http://www.inta.org/Pages/Home.aspx>

17 US Reg. No. 1975999

a torch being held by a lady on a pedestal. The word "COLUMBIA" appears across the top running through the torch and then a circular rainbow appears in the sky encircling the lady¹⁸. It set a good model for other entertainment companies to explore non-traditional trademark rights. However in China, moving images are still not eligible for trademark registration.



B. Registrability of Trademarks

The trademark registration system was born in the middle of 19th century. Before that, trademark ownership could only be acquired by use. When a business uses a trademark with good will in its trade, this mark becomes the symbol of its reputation and distinguishes it from other business. This business then acquires the right to protect its trademark in order to protect its goods will. Due to the rapid development of trade in the 19th century, disputes and public confusion on identical or similar trademarks has been increased a lot. In order to raise the efficiency of solving these problems, registration system was invented. Before register, a business can make a search to avoid disputes. After register, it became the prima facie evidence of trademark ownership all over the country.

During the early phase of trademark registration system, prior use of a mark is a basic requirement for the registration of that mark. However, in order to raise the

¹⁸ Description of the Mark

efficiency of trademark protection, nowadays most countries of the world use "first to apply" or "first to file" principle. Trademark's exclusive right and registration are granted to applicant who first applies for registration of a mark. But the United States still upholds "first to use" principle. Trademark right in US, is acquired through use rather than registration. To register a mark, an applicant has to submit evidence of use or affidavit of intention to use the mark.

Due to different principle and different developing degree of trademark registration system, the requirements for trademark registrability are little different in US, Korea and China. *Article 15 paragraph 2 of TRIPs Agreement* permits its members to have their own grounds for denying registration of a particular sign as a trademark, provided that they do not derogate from the provisions of the Paris Convention¹⁹. According to *Article 6quinquies Section B of Paris Convention*, Trademarks covered by this Article may be neither denied registration nor invalidated except in the following cases: 1. when they are of such a nature as to infringe rights acquired by third parties in the country where protection is claimed; 2. when they are devoid of any distinctive character, or consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production, or have become customary in the current language or in the bona fide and established practices of the trade of the country where protection is claimed; 3. when they are contrary to morality or public order and, in particular, of such a nature as to deceive the public. It is understood that a mark may not be considered contrary to

19 Paris Convention for the Protection of Industrial Property of March 20, 1883, and as amended on September 28, 1979.

public order for the sole reason that it does not conform to a provision of the legislation on marks, except if such provision itself relates to public order.

Hence in this section, I will introduce and explain the common requirements of trademark registrability in the three countries and some differences, especially related to entertainment industry.

1. Not Against Prior Rights

a. Not against a prior registration or prior application

(1) DuPont Sectors

In a country that adopts “first to apply” principle, like Korea and China, if a trademark application is identical or similar to the earlier registration or application, it will be refused. In US, an application without actual use in market shall not be a ground for refusal. Only a registration that has already been used in market shall be an obstacle for later application.²⁰ For this ground, the critical question is how to determine the similarity or likelihood of confusion.

Examiners at the United States Patent and Trademark Office (hereinafter USPTO) utilize DuPont Sectors²¹ identified by a U.S. judicial decision in determining whether two marks are confusingly similar. They are 13 factors: i.The similarity of the marks in their entireties as to appearance, sound, connotation and/or commercial impressions; ii.The similarity between the goods /services associated with each mark; iii.The similarity between the trade channels; iv.The conditions under which buyers to whom sales are made, i.e., on impulse or after

20 Lanham (Trademark) Act (15 U.S.C.) of the United States of 1946 and as amended: 1052 (d)

21 DuPont de Nemours & Co. 476 F.2d 1357 (C.C.P.A. 1973)

careful reflection; v. The fame of the prior mark (sales, advertising, length of use); vi. The number and nature of similar marks in use on similar goods/services; vii. The nature and extent of actual confusion; viii. The length of time and conditions under which there has been concurrent use but no actual confusion; ix. The variety of goods/services on which a mark is used; x. The nature and extent of interaction between the applicant and the owner of the prior mark; xi. The extent to which applicant has a right to exclude others from use of its mark on its goods; xii. The extent of potential confusion; xiii. Any other established fact probative of the effect of use.

Although examiners at KIPO can accept evidences submitted by prior mark owner, as prior use is not a requirement for registration, in most cases, they only consider factors as the first and second of DuPont Factors. For examiner at CTMO, as evidence shall not be submitted during the examination period, in all cases, only factors similar to the first and second of DuPont Factors are considered.

(2) Similarity of marks

i. Overall impression rule

As illustrated in the first DuPont factor, the similarity of two marks depends on four elements: appearance, sound, connotation and/or commercial impressions. But during the comparison, examiners shall follow the “overall impression rule”, because the trademark owner has to use a trademark exactly the same as it is registered. What’s more, examiners shall take a separated comparison, as in real life, consumers usually do not have a chance to compare the marks side by side. Furthermore, in most cases, verbal element is always an important part of a mark,

even of a device mark. It is because when we buy something, we have to call or write its trademark. Knowing these, it will be easy for an applicant to make a prediction on the result of its application after searching of previous marks.

ii. “Disney Frozen” v. “Frozen Land”

Here is an example of similar marks:



The left picture is a trademark of Disney derived from its famous animation movie “Frozen”. The right picture is mark used by a Canadian film distributor of animated classics.²² The two marks are extremely similar as they both have the same blue and white colors, similar background pattern and almost the same font. In addition, the word "frozen" is significantly larger than the word "land".

iii. Differences in Determining Similarity in Different Countries

Due to the language and culture differences among countries, the decision made on the similarity of the same two marks may be opposite in different countries. For example, when determining the similarity between two marks in native language, their sounds and connotations will take similar proportions of importance as their appearances. But for two marks in a foreign language, the appearance is the most important factor. Thus, for two word marks in English which have the same root

22 Amidi, Amid. Disney Files Trademark Lawsuit Over "Frozen Land". Cartoon Brew, December 29, 2013.

but are very different in length, US consumers would be easier to find them similar than Chinese or Korean consumers. But for two words in Korean with the same length, it would be easy for US and Chinese consumers to be confused, as in their opinions, the vowels and consonants of Hangeul are all similar to each other.

Furthermore, for entertainment industry, we must remember that before registered as a trademark, according to copyright law, the name of a creative work, is not need to be creative itself. For a copyrighted work, only its expression shall be originally created. Hence, in real life, consumers are not easily confused by two similar work names. Therefore, the standard for determining the similarity between marks used in entertainment industry, especially for periodicals and TV programs, is comparatively looser than that for other marks related to everyday consumption.

(3) Similarity of goods and services

i. Nice Classification and Classes for Goods/Services Related to Entertainment Industry

As trademark is the sign used on the goods or services, same marks used on different goods or services shall not be deemed as identical or similar. For example, consumer will not be confused by trademark “Apple” used on cell phones and trademark “Apple” used on jeans. Nowadays, most countries use Nice Classification of goods and services, including US, Korea and China²³. According to this Classification, goods are classified into 34 groups (class 1 to 34) and services are classified into 11 groups (class 35 to 45). Goods and services related to entertainment industry are often grouped in classes 9, 16, 38 and 41. For example,

²³ The Nice Classification was established by the Nice Agreement in 1957, and its tenth edition came into force on January 1, 2016.

in class 9, there are goods like phonograph records, sound recording discs, video game cartridges, animated cartoons and cinematographic film [exposed]. Goods like newspapers, periodicals, books, pictures and photographs are grouped in class 16. For services like television broadcasting and radio broadcasting, they are classified in class 38. While in class 41, there are services like organization of sports competitions, arranging and conducting of concerts, publication of books, production of shows and film production.

ii. Subgroups or Similarity Groups

Based on Nice Classification, some countries even divide one class into several subgroups or similarity groups, like Korea and China. For example, as to radio broadcasting services, Korean similarity group is S0701²⁴ while Chinese similarity group is 3801²⁵. As to services for arranging and conducting of concerts, Korean similarity group is S110101 while Chinese similarity group is 4105. For the similarity between goods or services, CTMO strictly follows its manual of similarity groups. In most situations, only goods in the same similarity groups are considered as similar to each other. However, in US, even goods in different classes may be deemed as similar. The criterion of USPTO is whether the goods or services are closely related to each other so that consumers would mistakenly believe they originate from the same source. KIPO also uses similarity groups to consider the similarities of goods, but not as strict as CTMO. Therefore, before applying for a trademark registration in a certain country, we shall check its manual of goods and services and make sure its criteria for similar goods and services.

24 KIPO Similar Goods/Services Examination Guide, December 2015.

25 CTMO Similar Goods and Services Classification List, January 2016.

iii. Case Study on the Bad Effects of Chinese Similarity Groups.

In my opinion, Nice Classification is only for the convenience of earlier mark searching and right authorization. It shall not be a strict standard for determining the similarities of goods and services. I agree with USPTO's criteria that the similarity between goods depends on specific market. As to Chinese criterion, I think it is simple for examiners to make decisions, but not good for trademark holders and applicants to pursue their trademark rights. Here is a case related to this problem.

(a). “星光大道” (Star Road) Case: *CCTV v Star Road Company*

Three years ago, there was a famous trademark infringement case about a CCTV(China Central Television) popular program “星光大道” (Star Road). This program ("the accused program" hereinafter) is a performing competition show for the populace. In 2013, Beijing Star Road Film-making Co. Ltd ("Star Road Company" hereinafter), the owner of a registered mark “星光大道” (Star Road) in respect of “organization of competitions (education or entertainment), production of radio and television programs” in class 41 (No. 3624619, "the cited mark" hereinafter), sued CCTV for trademark infringement. Star Road Company first used the cited mark when organizing an acting contest in 2003 and applied for the registration on July 9, 2003, while CCTV first broadcasted the accused program on October 9, 2004. Although CCTV raised an opposition against the cited mark, because of the earlier use and application of the cited mark, the opposition was finally rejected by Beijing First Intermediate Court in 2011.²⁶ However, during the

²⁶ China Central Television v. Trademark Review and Adjudication Board, 3. YiZhongZhiXingChuZi-No.1845(2011)

opposition, CCTV successfully registered its own trademark “星光大道” (Star Road) for the accused program in respect of “television broadcasting and radio broadcasting services” in class 38 (No. 4966182) on June 7, 2009.



Trademark No. 3624619

Trademark N.499182 and the program name

In this trademark infringement case, Star Road Company asserted that CCTV's use of "星光大道"(Star Road) in producing the program is a kind of trademark use, which infringes Star Road Company's trademark right of the cited mark on services of “organization of competitions (education or entertainment), production of radio and television programs”. CCTV defended that using "星光大道"(Star Road) in the process of production the accused program is only for broadcasting, the service on which CCTV has already registered its own mark of "星光大道"(Star Road). The court agreed with the defendant, explaining that protection of a trademark is not protection of the mark itself, but protection of the good will within the mark which is acquired by the owner the mark in providing its goods or services in the area of commodity circulation. The court considered that the defendant's good will is connected with its mark only within the area of "television broadcasting" but not within the area of "production of television programs "or “organization of entertainment competitions", as the defendant's activities of producing the program

and organizing the competition is only for broadcasting the program but not in the area of commodity circulation.²⁷

I cannot agree with the judgment of the court. In fact, just as the defendant CCTV explained, the production of the TV program is the previous process of broadcasting. Thus, these two services, “production of radio and television programs” and “television broadcasting and radio broadcasting services”, even in different classes, are closely related to each other. If during the examination of CCTV’s application of the mark “星光大道” (Star Road) in class 38, examiner had refused the application, there would not have been an infringement case anymore. Hence, in my opinion, Star Road Company’s trademark right on “星光大道” (Star Road) has not been well protected due to CTMO’s wrong criteria for determining the similarity of goods and services.

Besides the similarities between two entertainment services, there is another controversial issue about the identification of entertainment services. That is whether one entertainment services shall be identified as two dissimilar services at the same time. For example, in the above mentioned “星光大道” (Star Road) case, shall this CCTV’s performing competition show be classified into “organization of competition” service as well as “television broadcasting” service? I think so. Nowadays, in modern society with high developed technologies, goods may have multi functions and services may have multi ways and purposes. Thus, it is better to be open minded in admitting double characters of one good or service.

27 Beijing Star Road Film-making Co. Ltd v. China Central Television, YiZhongMinChuZi-No.11888 (2013)

(b). “非诚勿扰” (Feichengwuraο) Case: *Jin Ahuan v. Jiangsu TV*

Recently, in another trademark infringement case on the name of a popular TV program, the court upheld the same opinion as mine. “非诚勿扰” (Feichengwuraο) used to be the name of a hit movie about a story of online dating first released on December 18, 2008. Jin Ahuan, the plaintiff of the case, applied for trademark registration of “非诚勿扰” (Feichengwuraο) in respect of “marriage agencies and dating services” in class 45 (Nice classification) on February 16, 2009 and finally got the registration certificate on September 7, 2010. Jiangsu TV, the defendant of the case, got a license from Huayi Brothers Media Corporation, and first broadcasted its match making program under the name of “非诚勿扰” (Feichengwuraο) in January of 2010. In 2012, Jin Ahuan sued Jiangsu TV for trademark infringement.



Registered trademark

Accused program name

In the first instance judgement²⁸, Shenzhen Nanshan District Court ruled that: Jiangsu TV’s use of “非诚勿扰” (Feichengwuraο) as a TV program’s name should be recognized as use of a trademark and the mark is the same with Jin Ahuan’s registered mark. However, Jiangsu TV’s mark is used on “TV program” service in

28 JinAhuan v. Jiangsu TV, ShenNanFaZhiMinChuZi-No.208(2013)

class 41 while Jin Ahuan's mark is registered on "marriage agencies and dating services" in class 45. As those two kinds of services are not similar to each other, Jiangsu TV did not infringe Jin Ahuan's registered trademark right. But in the final judgement²⁹, Shenzhen Intermediate Court reversed the lower court's judgment. It rules that: Although the lower court is right at recognizing the TV program's title as a trademark, it is wrong at classifying those services given by Jiangsu TV only into class 41. According to the purpose and method of those services, they should also be classified into class 45 as "match making and dating services". Thus, they are the same with those services recorded in the trademark registration certificate of Jin Ahuan. Hence, the court ruled that Jiangsu TV infringed Jin Ahuan's trademark right and shall stop infringing and using "非诚勿扰" (Feichengwuraao) as its program name immediately.

b. Not against a prior used but not registered mark

As in US, "first to use" is still the principle of trademark registration system, trademark consists of or comprises a mark which so resembles a mark previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive, shall be refused registration on the principal register³⁰. In Korea, although a prior used but not registered mark may be cited as a ground for refusal, the mark shall be widely recognized by consumers³¹. In China, only when the application is filed in unfair means to register a prior used but not registered

29 JinAhuan v. Jiangsu TV, ShenZhongFaZhiMinZhongZi-No.927(2015)

30 Lanham (Trademark) Act (15 U.S.C.) of the United States of 1946 and as amended:1052 (d)

31 Korea Trademark Act, wholly amended on Feb. 29, 2016: Article 34(1)9

mark of others that has certain influence, its registration shall be refused during the opposition procedure³².

Hence, in this situation, the critical question is whether a sign has already been used as a trademark, especially in entertainment industry. If a TV program or a film were very famous but had not been registered as trademark, could it be deemed as a used mark? I think it depends on whether the program name or film name is capable of distinguishing the goods or services of one undertaking from those of other undertakings. To be specific, it depends on whether it accords with all registrability requirements.

c. Not against other prior rights

(1) Trademark squatting in entertainment industry

i. Chinese Serious Problem of Trademark Squatting

As names of singers and film stars, names of books and TV programs can all be registered as trademarks, it is important to make sure that a registered trademark will not infringe others' right of names and copyright. For the name of a celebrity, the general recognized method is to get a written consent from that particular person. For the name of a work, the method may be a written assignment, a license, or any other contract of consent from the author. For a sound mark, those from the composer and if any, the lyricist.

However, due to the wide popularity of entertainment industry and its great impact on business promotion, it is always the main target for trademark squatting. From names of actors, singers and sports stars, to names of TV programs and films, trademark squatting occurs everywhere of entertainment industry. Especially in

32 Trademark Law of China as amended on August 30,2013: Article 32

China, this problem is really serious. According to a statistics given by a Chinese Trademark Examiner, until July 20, 2015, there were 314 marks consisting of the name of Jeremy Lin (Lin Shuhao, 林书豪), a famous American Chinese NBA player, among them only 35 were applied or assigned to the player himself.³³

ii. The Reasons for This Problem in China

In my opinion, there are many reasons of this problem. **The first reason** is that the social credit system has not been established yet. If a person or an enterprise's bad faith behavior is not punished seriously and informed to the public, this person or enterprise will not refrain or be refrained from cheating again. **The second reason** is that "first to file" principle gives a big loophole for trademark squatting, as this principle does not require actual use of a mark before its registration. Actually "first to file" principle is first adopted in European countries where social credit system has already been well developed. To be frank, those legislators of Chinese first Trademark Law only copied this principle from foreign laws without analyzing different national developing conditions between China and other foreign countries. I think we shall learn more from US trademark system which requires actual use or at least bona fide intention to use the mark before applying for registration. **The third reason** is lack of specific regulations and examination rules that can easily prevent trademark squatting. Although Article 32 of Chinese Trademark Law rules that a trademark application for registration shall not damage the existing prior rights of others, it can only be used in opposition and other procedures after preliminary approval or registration, but not by examiners in

33 Zhang Yuemei. Form Ice-hockey Star Song Andong to the Trademark Squatting of Celebrities. IPRdaily, July 29, 2015.

ex-official examination procedure. If the prior right holders are not careful enough, they may miss the time to file an opposition, or even an invalidation. In the previously mentioned “非诚勿扰” (Feichengwuraο) case, as we can see from the similarity between the movie poster and plaintiff JinAhxuan’s mark, obviously Jin Ahxuan squatted the movie name as his trademark, but it is neither refused by the examiner nor opposed by the movie producer.



Movie poster



Registered trademark

Even an opposition is raised, as China rank the first in the world with respect to the numbers of trademark applications (more than 2.8 million last year)³⁴ and CTMO, TRAB³⁵, and IP courts all have heavy backlogs, the pending time for a case is usually very long. Despite that in most cases, the prior rights holders in entertainment industry will win, they still encounter great loss. As time is money, it gives squatters great chance to make a profitable deal of assignment with the prior right holder. If Chinese trademark examination system could permit examiners to cite Article 32 in ex-official examination procedure, with supporting evidence fund by examiners that can prove the prior right holder and the fame of celebrities, artistic works and characters in the public (like US trademark system), or with

34 CMTO Website: <http://sbj.saic.gov.cn/>

35 Trademark Review and Adjudication Board

evidence submitted by stake holders (like Korean trademark system), trademark squatting would be easily prevented. Although within the present trademark system, Chinese examiners usually quote Article 10 (7) and (8) to fight against this problem, their decisions are not supported by the courts. I will explain this in the third part of this section.

iii. A Special Type of Trademark Squatting in China

Among all trademark squatting cases, one situation is really complicated. As different Chinese characters may have same pronunciation, some cunning applicants apply for trademarks in which pronunciation of the marks are the same with names of stars while their Chinese characters are different. Here are some examples:

(a) 谢霆锋 (Pronunciation: XIE TINGFENG)-Name of an actor

泻停封 (Pronunciation: XIE TINGFENG)-Trademark of medicines

(b) 刘德华 (Pronunciation: LIU DEHUA)- Name of an actor

留得华 (Pronunciation: LIU DEHUA)- Trademark of cosmetics

(c) 郭德纲 (Pronunciation: GUO DEGANG)- Name of an actor

锅得缸 (Pronunciation: GUO DEGANG)- Trademark of alcohol³⁶

As those marks are suggestive and indirectly related to the goods in respect of which they are registered, they are not misleading. Furthermore, by using different characters, they do not infringe the rights of those actors' personal names. Unfair competition" claims are also useless in most cases when there is no competition between the actor and the alleged trademark applicant. Thus, they are all

36 Chen Chanping. Legal Analysis About Representing Sounds Of Trademark ‘Guodegang’ To Guodegang. Law Science Magazine, August, 2011.

successfully registered. However, it is obviously a free ride of the fame of those actors. In my opinion, those actors' right of publicity shall be protected.

(2) Right of publicity and merchandising right

Nowadays, in entertainment industry, the right of publicity and merchandising right are being discussed widely. The right of publicity is the right for individuals, especially celebrities, to control the commercial use their names, images, voice or other elements of their identity.³⁷ Different from those personal right like right of name or right of portrait, it is more like a property right. Merchandising right is the right to control the merchandising of characters in creative works, including their names, images and other elements. Although there is no clear definition about merchandising right up to now, it has already been protected in many US cases. As civil countries, since there are now no notion about the right of publicity and merchandising right in Korea law and Chinese law, it will be hard to assert these rights in these two countries. In Korea, only some district courts have ever acknowledged celebrity's publicity right. Many Korean Stars, like Jang DongGun(장동건), Song Hyekyo (송혜교), Suzy (수지) and Uee, all failed to get compensation based on this right. Recently in China, there occurred some case judgments that recognized these rights as commercial rights in general. Hopefully, in near future, these rights will be protected as prior rights in trademark registration system.

2. Distinctiveness/Capability to Distinguish

According to *Article 15 paragraph 1 of TRIPs Agreement*, trademark shall be capable of distinguishing the goods or services of one undertaking from those of other undertakings. For a mark that has already been used in the market, we can

³⁷ Song Haiyan. Entertainment Law.The Commercial Press, 2014.

find out whether it has this capability based on facts. But for an application that has not been ever used, we can only predict its capability by the distinctiveness of the mark itself, related to the goods or services it applies on or other elements.

a. Distinctiveness of a mark itself

In simple, distinctiveness of a mark is the ability to impress consumers and to be easily remembered. As it is subject to the judgment of every different consumer, there is no definite line between distinctive and non-distinctive. But we do have methods that help us to determine the judgment of average consumers, such as the length of a word, the complexity of a device. A mark with only one or two character in standard font is too simple to be impressive. While a mark that has many words is too long to be impressive. A very complex device is not distinctive either. As sound and connotation can help consumer to remember a mark, a word mark is comparatively more distinctive than a device mark and a mark in native language is more distinctive than a mark in a foreign language.

b. A mark's distinctiveness in respect of goods or services

As a trademark is always used on goods or services, even if a mark is distinctive itself, it may not be distinctive in respect of goods or services. In practice, marks are usually divided into five groups, coined/fanciful, arbitrary, suggestive, descriptive and generic, listed according to the level of distinctiveness from high to low in connection with goods or services. As a fancy word has no meaning and nothing to do with goods or services, it is always very distinctive. Arbitrary word like "apple" is very distinctive on cellphones, but not distinctive on apple itself. In the latter case, "apple" is called a generic term. Generic terms are those common names of goods or services. As they cannot distinguish themselves from the relevant goods or services, they have no distinctiveness. For suggestive mark and

descriptive mark, the distinction of them is not easy to be found. A suggestive mark only gives hint or suggestion to let the consumers guess some characteristics the goods or services it used on while a descriptive mark merely and directly describe something about goods or services, like the kind, quality, quantity, intended purpose etc. Thus a suggestive mark is distinctive while a descriptive mark is not.

c. A mark's distinctiveness in respect of source

If a mark only indicates a source that can also be the source of other goods, like a geographical name or a surname, the mark is not capable of distinguishing. For example, according to US Lanham Act, if an application consists of a mark which is primarily merely a surname, it shall be refused registration on the principal register on account of its lack of nature by which the goods of the applicant may be distinguished from the goods of others.³⁸ Because everyone has the right to use his or her name to indicate the goods or services he or she provide. Korea Trademark Act also has this regulation on surname³⁹, but Chinese Trademark Law does not.

d. A mark's capability to distinguish acquired by use

Even though a mark is not capable of distinguishing goods or services at the time of application, it may acquire the capability through bona fide use in the market. Especially in the entertainment industry, as the name of a work is not required to be original or creative, it may not be as distinctive as a trademark at first. But after it has been used as a trademark for a long time, it may be able to indicate the origin of goods. For example, "reader's digest" as a mark on periodicals directly describes the content of periodicals, but as it is well known to the public, it is capable of indicating the origin of the periodicals.

38 Lanham (Trademark) Act (15 U.S.C.) of the United States of 1946 and as amended: 1052 (e)(4)

39 Korea Trademark Act, wholly amended on Feb. 29, 2016: Article 33(1)5

3. Legality

A trademark application shall be legal, otherwise it will be refused. It shall not be against law and public interest. For example, signs identical with or similar to the national flag or national emblem shall not be used as trademarks. We can find these prohibitive regulations in Article 1052 (b) of Lanham (Trademark) Act (15 U.S.C.), Article 7(1)1 of Korean Trademark Act and Article 10(1) of Chinese Trademark Law. All these three laws also prohibit signs that are deceptive and likely to mislead the public. Now, let us review “The Voice of China” case again. Even though Talpa Holding is now claiming for trademark right of this program name, I think it may not be able to get it as Chinese Trademark law forbids using “China” as a trademark. Moreover, as Talpa Holding is a foreign company, using “China” as its trademark may be considered as deceptive.

a. Article 10(8) of Chinese Trademark Law and Its Influence on Trademarks Related to Entertainment Industry

Different with the other two Trademark Acts that list all situations in which trademark application shall be deemed as illegal, Chinese Trademark law provides a fallback provision-Article 10(8), which rules that signs detrimental to socialist morality or customs, or having other unhealthy influences shall not be used as trademarks. This article gives Chinese trademark examiners powerful right of discretion. Hence, it used to be frequently applied in ex-officio refusals against bad faith trademark squatting in entertainment industry. For example, an application for the mark "金喜膳", which is similar to the Chinese characters of a famous Korean

actress 김희선 (金喜善) was finally rejected by court in 2004, pursuant to Article 10 (8) of the Trademark Law, ruling that it has unhealthy influences.⁴⁰

However, in April 2010, Chinese Supreme Court released its *Opinions on Several Issues concerning the Trial of Administrative Case Involving the Granting and Confirmation of Trademark Rights* (hereinafter the Opinions). It rules that “when a people’s court is conducting its examination to determine whether a relevant sign has other unhealthy influences, it shall consider whether such sign or its constituent elements could have a bad and negative effect on China’s politics, economy, culture, religion, races and other such public interests and the public order. If the registration of the relevant sign only prejudices a specific civil right or interest, it should not be determined to have other unhealthy influences since the Trademark Law has already otherwise provided for remedies and the relevant procedure⁴¹.

After that, many refusals made by CTMO or complaints against bad faith trademark squatting in the entertainment industry quoting Article 10 (8) were not supported, because names of celebrities, artistic works and characters are recognized as specific civil interests. For instance, in the final judgment of trademark administrative case concerning “007” and “JAMES BOND” marks, Beijing High Court ruled that Beijing First Intermediate Court’s first judgment wrongly quoted Article 10 (8) to refuse the registration of those two marks. It said

40 Hu Kaizhong, Conflict between Name Right and Trademark Right and Analysis of its Legal Solution. *Research on Private Law*, 2015,5 (1).

41 *Opinions on Several Issues concerning the Trial of Administrative Case Involving the Granting and Confirmation of Trademark Rights*, Chinese Supreme Court, April 2010: Article 3

that the fame of this movie character is a specific civil interest and not the object protected by Article 10 (8).⁴²

b. My Understanding of Article 10 (8)

Although I agree with the Opinions that Article 10 (8) aims to protect public interests, I do not think bad faith trademark squatting hurts a specific civil right or interest only. It confuses the public too. Actually, preventing public confusion is the common aim of Trademark Laws and trademark registration systems all of the world. Are the public confused by trademark squatting different with those public protected by Article 10 (8)? Of course, no. Shall the public protected by Article 10 (8) be a particular public that may be confused by trademark squatting? Of course, yes.

As to my understanding, the purpose for the Chinese Supreme Court to regulate the quotation of Article 10 (8) in the Opinions is to minimize the abuse of discretion. But in my opinion, the right way for the Chinese Supreme Court to fulfill this purpose is to suggest legislators to delete Article 10 (8), but not to give opinions opposite to the aim of Chinese Trademark Law.

Thus, I suggest Chinese examiners to quote Article 10 (7) to refuse bad faith trademark squatting. Article 10 (7) is also a provision that protect public interest. It stipulates that signs “having the nature of fraud, which is likely to mislead the public as to the features such as qualities of the goods, or the place of the origin” shall not be used as trademarks. Here is an example. It is about the invalidation of a registered mark “朗朗LANGLANG” in respect of “performance services” in class 41. A world famous Chinese pianist 朗朗 claimed that this mark infringes his

42 Trademark Review and Adjudication Board v. DANJAO, LLC, GaoXingZhongZi-No.374(2011)

right of name and applied for invalidation to the TRAB. TRAB finally invalidated this mark, ruling that the mark is similar to the name of the famous pianist 郎朗, and thus infringes the name right of 郎朗 and also may mislead the public in related to “performance services.” Although the registrant of the mark appealed to the court, the court affirmed TRAB’s adjudication.⁴³

4. Other Requirements of Trademark Registrability

a. Non-functional

Although not listed in *Article 6quinquies Section B of Paris Convention*, there is a special but widely recognized refusal ground for the registration of a mark, especially a three-dimensional mark. That is called “functionality”. The U.S. Supreme Court rules in *TrafFix Devices, Inc. v. Marketing Displays, Inc.*⁴⁴ that if a mark is “essential to the use or purpose of the product or if it affects the cost or quality of the product”, it is functional. According to *Article 12 of the Chinese Trademark Law*, “A three-dimensional sign that applies for registration of a trademark and consists exclusively of the shape which results from the nature of the goods themselves, the shape of goods which is necessary to obtain a technical result, or the shape which gives substantial value to the goods, shall not be registered.”

The intention to deny the registration of a functional mark is to protect the social development. As a registered mark owner has an exclusive right to use the mark, if it was functional, no one could use this technique on other goods. Furthermore, as a registered mark can be renewed for any times, the exclusive right could be infinite. Hence, it is against the principle set in patent system that a new technique shall

43 Mao Ligu. “LangLang” Registered, Lang Lang Filed Invalidation. China Intellectual Property News, October 27,2014.

44 *TrafFix Devices, Inc. v. Marketing Displays, Inc.*, 532 U.S. 23, 32 (2001)

only be protected in a definite period, in order to protect the intent of invention and at the same time promote technical development. It is against antitrust law and anti-unfair competition law either. In my opinion, this non-functional requirement can also be grouped in legality requirement as registering a functional mark is obviously against public interest.

In practice, there are two types of functional marks, utility functional marks and aesthetic functional marks. For a utility functional mark, it is necessary to obtain a technical result, like a special concave pattern on a bottle that helps us to hold the bottle tight. For an aesthetic functional mark, its aesthetic function gives substantial value to the goods, like the beautiful shape of a pair of earrings. Thus, in entertainment industry, a cartoon character cannot be registered as a product design mark for toys or jewelries, as the shape of the character gives substantial value to those goods.

Although in most cases, functionality ground of refusal is used on three-dimensional marks, it is also a ground for denying the registration of color marks and sound marks. For example, a color or a sound used to warn shall not be registered.

b. Not an illegal conversion of copyright and related right.

Just as the non-functionality requirement that forbids illegal extension of patent right by registering a functional mark, trademark law shall forbid illegal conversion of copyright either.

(1) Conversion from a title

According to Trademark Manual of Examination Procedures of USPTO 1202.08, " The title, or a portion of a title, of a single creative work must be refused registration under §§1, 2, and 45 of the Trademark Act, 15 U.S.C. §§1051, 1052,

and 1127, unless the title has been used on a series of creative works. The title of a single creative work is not registrable on either the Principal or Supplemental Register." This is because "a book title ... identifies a specific literary work ... and is not associated in the public mind with the publisher, printer or bookseller...."⁴⁵

In my point of view, if the title of a single creative work were allowed to be used in respect of the work itself, the copyright of the work would be converted into a trademark right. Then, this mark/title would be used to achieve what copyright law is not allowed. For instance, a trademark right owner of a book title would forbid other writers to use identical or similar titles to their books, while a copyright owner of this title should not. Furthermore, the trademark right would be used as an indefinite extension of the copyright, as a trademark can be renewed unlimited times while copyright has a certain time limit. This time limit for copyright protection is also set to promote culture development.

However, since a series of creative work have several separate copyrights, a single trademark right of the series title will not overlap several different copyrights. Hence, this trademark will not influence the use and expire of every separate copyright. For instance, periodical names are titles of series of works and registrable under this regulation.

Nevertheless, a title of a single creative work can be used as a trademark for non-relevant goods and services of the creative work, such as T-shirts or hats. We have already explained this type of marks in section A of this part.

(2) Conversion from a name

⁴⁵ Cooper, 254 F.2d 611, 615-16, 117 USPQ 396, 400 (C.C.P.A. 1958), cert. denied, 358 U.S. 840, 119 USPQ 501 (1958).

According to Trademark Manual of Examination Procedures of USPTO 1202.09, "Any mark consisting of the name of an author used on a written work, or the name of a performing artist on a sound recording, must be refused registration under §§1, 2, and 45 of the Trademark Act, 15 U.S.C. §§1051, 1052, and 1127, if the mark is used solely to identify the writer or the artist."

According to my opinion, this regulation is also promulgated to prevent illegal conversion of copyright and related right into trademark right. And just as I explained herein-before, the name of a writer or an artist is eligible as a trademark on a series of works. Furthermore, the name of a band can also be used or registered as a trademark on a sound recording as the band name has nothing to do with the related right.

(3) Lackness of this Requirement in Korea and China

Different to US, Korean trademark registration system do not have any regulation that prevent illegal conversion of copyright and related right. They do not refuse the registration of a work name, a writer's name or an artist's name on a single creative work. According to Korean Trademark Examination Guide, KIPO only estimates distinctiveness of the title of a creative work. If the title is an in-word or popular phrase, it shall not be registered⁴⁶. Furthermore, not only the name of a K-pop group, but also the name of one Korean star can be registered if the consent of the group or star concerned has been obtained, regardless of goods and services⁴⁷. In China, Chinese Trademark Law and its examination guide even do not have special regulations limiting the registration on titles of creative works

46 Korea Trademark Examination Guide of January 2015: Part 4, Chapter 7:1.1.2

47 Korea Trademark Examination Guide of January 2015: Part 4, Chapter 7:3.1

or names of stars. They only require the consent of the writer or stars. I do hope in the near future, this requirement of trademark registrability could be widely accepted by most countries' trademark systems.

C. Right to Apply for Trademark Registration

1. Depending on the Strength of Parties or "Source" and "Reputation" Rule

For celebrities and enterprises in entertainment industry, to avoid being squatted, the most effective way is to file for trademark registration as early as possible. As all entertainment elements are easily to be well known overnight, it would be better to file the application before debut or publication. Then, who shall have the right to apply for the mark? It is not a question that can be easily answered. In most of the cases, it depends on negotiation result for an agent contract or a copyright license. But in US, standard trademark doctrine and concepts of "source" and "reputation" also apply in trademark of celebrity name. Agreement to the contrary may not be enforceable or valid. In *Bell v. Streetwise Records*⁴⁸, the plaintiffs, five members of a band named "New Edition" sought to have exclusive rights of the mark "New Edition" for performing and recording. The defendant, Streetwise, the company that produced, recorded, and marketed the first New Edition LP, claimed that the mark "New Edition" belongs to them. As the legal task is to determine which party controls or determines the nature and quality of the goods which have been marketed under the mark in question, the court first identified that the "goods" are the entertainment services provided by the plaintiffs, and then determined that the quality which the mark New Edition identified was first and foremost the five

48 *Bell v. Streetwise Records*, 640 F. Supp. 575 (D. Mass 1986)

plaintiffs with their distinctive personalities and style as performers. Hence the court concluded that the plaintiffs own the mark.⁴⁹

2. "SHINHWA" (신화) Case

In Korea, as far as I know, as Korean entertainment companies are really powerful in this industry, they gain the right in most agent contracts to file trademark registration of their actors or idols' names. As to those worldwide popular K-pop bands, their names are registered by their agent company. In this situation, problem will occur when a star leaves his or her original agent company. They may fight for the trademark right. Here is an example. For years, idol group "SHINHWA" (신화) and its own company SHINCOM Entertainment have been in court dispute with Joon Media (formerly known as Open World Entertainment) who obtained the trademark right to the group's name from SM Entertainment in 2006. On this May 27th, two sides of the dispute reached an amicable agreement in court after mediation. Hereupon, the court made the final decree to hand over the "SHINHWA" (신화) trademark rights to the group "SHINHWA" (신화). The group has finally reclaimed trademark right to their name after a 12-year battle since they left SM Entertainment.⁵⁰ Besides the dispute on agent contract, this problem will also occur during the enforcement of a copyright license, just as "The Voice of China" case I analyzed in the opening part of this thesis.

In my opinion, in order to make a good deal on trademark right while signing other contract in entertainment industry, we must always bear in mind that

49 Johnson, Eric E. Trademark Issues in Entertainment. Media & Entertainment Law Course, 2011.

50 JinKaidi. SHINHWA Finally Got Back Its Trademark after 12 Years. Kpopstarz Chinese, May 29, 2015.

trademark is the symbol of good will. We must be clear whose bona fide use during the enforcement of the contract will give actual value to a mark. In fact, "source" and "reputation" of goods or services can only be attached to the bona fide user of a mark. Even in a country whose trademark system is based on "first to apply" principle, a registrant who do not use the mark will not have any actual right. In "The Voice of China" case, even though Talpa Holding had got the right to register the mark "The Voice of China" and its Chinese name "中国好声音", I still think it was useless, as audience has already connected the mark with Zhejiang Television and Canxing Production. Therefore, in my mind, the best deal is a settlement on the right choice of trademark applicant and at same time a good arrangement on the allocation of interest at the termination of the contract, by setting right to get an assignment, right to get a trademark license, or other kinds of compensation.

III. The Issues after Trademark Registration Related to the Entertainment Industry

A. Trademark Use

1. Trademark Use in Entertainment Industry

After a mark is registered, it has to be used to acquire or maintain good reputation for its owner. Although not all trademarks are registered on goods or services related to entertainment industry, all trademarks are used in entertainment industry. Every day and everywhere, we can see trademarks and their related products promoted on newspaper and periodicals, before, between or even in TV dramas, TV programs, movies, sports broadcasting and etc by advertisement,

sponsorship, celebrity endorsement and products placement. Benefit from these all win business modes, readers and audiences can enjoy cheap or even free entertainment services, entertainment enterprises can earn huge profit while trademark owners can expand their popularity and good reputation. A James Bond film is one of the most successful examples of this profit model. BMW fancy new car, Omega exclusive watch and Martini vodka became symbols of this handsome British secret service agent. The Korean famous drama "My Love From the Star" (별에서온그대) also has an astonishing promotive effect on those cosmetics used by the heroine, like IOPE, YSL and Hanyul.

2. Non-Used Mark

No matter in "first to file" system or "first to use" system, after registration, if a mark is not used, it will lose its right to be protected. According to *Article 19 of the TRIPs Agreement*, a mark may be canceled after an uninterrupted period of three years of non-use. In China, a new article was added into the new trademark law, which rules that "where the owner is neither able to prove his actual use of the registered trademark during the past three years prior to the suit, nor able to prove other losses suffered as a result of the infringement, the alleged infringer shall not be liable for damages"⁵¹. This is an import weapon for entertainment enterprises to fight against trademark squatting, as in many cases, the purpose for trademark squatting is to sell the mark or assert for damages rather than using the mark. For example in the final judgment of "非诚勿扰" (Feichengwuraao) case we mentioned before, as the plaintiff failed to prove any loss, there was no decision about damages. Jiangsu TV continued broadcasting its program and only changed the

51 Trademark Law of China as amended on August 30,2013: Article 64

program name into “缘来非诚勿扰”(Yuanlai Feichengwurao). The winner wined nothing and the loser lost nothing.

B. Trademark Protection

1. Infringement

After a mark is registered, the owner’s exclusive right to use the mark shall not be infringed by others. The most typical trademark infringement is the act of using a mark identical with or similar to a registered trademark in respect of the same or similar goods or services without authorization of the trademark registrant. Hence, to assert infringement, likelihood of confusion must be proved. In US, similar to DuPont factors, a set list of factors, range from 7 to 13 in numbers, depended on the judicial circuit, will be reviewed by courts when determining the likelihood of confusion. For example, Polaroid Factors is an eight-factor test formulated by the Second Circuit in *Polaroid Corp. v. Polarad Electronics Corp.*, 287 F.2d 492, 495 (2d Cir. 1961). Those factors are: “the strength of his mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion, and the reciprocal of defendant's good faith in adopting its own mark, the quality of defendant's product, and the sophistication of the buyers”.

2. Well-known Mark and Dilution

a. Factors in Determining a Well-known Mark

In the process of determining the infringement, the good reputation or good faith condensed in the mark takes a more important role than in the process of

registration. As the fame of a mark increases, the degree of similarity between the marks necessary to support a conclusion of likely confusion declines.⁵² The higher reputation the mark earns the deeper and wider protection it enjoys. The *Article 6bis of Paris Convention* requires the countries of the Union “to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods.” Then how to determinate whether a mark is a well-known mark? *Joint Recommendation Concerning Provisions on the Protection of Well-known Marks*⁵³ points out that the competent authority shall consider factors including, but not limited to: the degree of knowledge or recognition of the mark in the relevant sector of the public; the duration, extent and geographical area of any use of the mark; the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation at fairs or exhibition, of the goods and/or services to which the mark applies; the duration and geographical area of any registrations and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark; the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by competent authorities; the value associated with the mark.⁵⁴

52 Bose Corp. v. QSC Audio Products Inc., 63 USPQ2d 1303 (Fed. Cir. 2002)

53 Adopted by the Assembly of the Paris Union and the General Assembly of WIPO in September, 1999

54 Article 2(1)(b) of the Joint Recommendation

As to the entertainment industry, due to the wide public basis and various high technical communication methods, if an entertainment element is registered or considered using as a mark, it is easily to be recognized as a well-known mark. Actually, there are a lot of world famous trademarks within entertainment industry, such as Mickey Mouse and Harry Potter. In Korea, titles of famous TV programs, films and songs are even directly protected as well-known marks according to the regulation of Korea Trademark Examination Guide.⁵⁵

b. Dilution: Blurring and Tarnishment

Different to ordinary marks, the protection of well-known marks is not limited to the range of similar goods or services. According to *Article 16 of TRIPs Agreement*, “Article 6bis of the Paris Convention (1967) shall apply, mutatis mutandis, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use.” This damage is called dilution. It reduces, or is likely to reduce, the public's perception that the famous mark signifies something unique, singular or particular.⁵⁶ Dilution is comprised of two principal harms: blurring and tarnishment. Dilution by blurring occurs when the distinctiveness of a famous mark is impaired by association with another similar mark or trade name. Dilution by tarnishment occurs when the reputation of a

55 Korea Trademark Examination Guide of January 2015: Part 4, Chapter 7: 3.2

56 Wex, LII, Cornell University Law School. <https://www.law.cornell.edu/wex>

famous mark is harmed through association with another similar mark or trade name⁵⁷.

However in China, there is no regulation concerning the dilution of well-known marks. It is out of the range of protection governed by trademark law. Although there are many suspected infringements similar to dilution, it is hard to sue to the court. Here is an example. In a famous Chinese film "大腕"(English name: Happy Funeral), fictional brands were created to imitate some really famous trademarks, such as "可笑可乐"(similar to "可口可乐" coca-cola), "硕士伦"(similar to "博士伦" Baushe and Lomb), "笑哈哈"(similar to "娃哈哈"), "报丧鸟"(similar to "报喜鸟"). Among them, "报丧鸟" is most controversial, as the Chinese character "丧" means death. The mark owner complained that it was a tarnishment to the mark, but gave up its right to sue in the end. Along with the rapid developing of Chinese entertainment industry, Chinese trademark law system will face big challenges.

3. Reverse Confusion

a. Definition

Besides big companies and their well-known marks, other small companies and their marks also need to be protected. Reverse confusion is an often asserted contention to protect inferior companies. Mostly, reverse confusion occurs when a more powerful company uses the mark of a smaller, less powerful senior user. When the junior user engages in extensive promotion of goods under a mark that the market is swamped, consumers will mistakenly believe the senior user's goods

57 5. Federal Trademark Dilution Act (FTDA), 15 U.S.C. of the United States of 2006: 15 U.S.C. § 1125(c)

are associated with the junior user.⁵⁸ It is opposite to traditional confusion or forward confusion, in case of which a small junior user trades on a big senior company. Nowadays, there have already been a lot of cases in which "reverse confusion" has been asserted, especially within entertainment industry, as entertainment enterprises are very powerful in promotion. But unlike those well-developed factors used in testing forward confusion, there is no uniform or wide recognized factor about reverse confusion.⁵⁹

b. *Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*

Here below is an interesting case that focuses on reverse confusion related to entertainment industry: In *Fortres Grand Corp. v. Warner Bros. Entertainment Inc.*,⁶⁰ Warner Bros. was sued for infringement of a plaintiff's trademark when it used the registered term on a fictional product on its film *The Dark Knight Rises*. In the film, there is a fictional software program known as "the clean slate" developed by the fictional "Rykin Data Corporation". Warner Bros. created two websites for Rykin Data that fans could access in real life, but offered nothing for sale or download. Fortres had sold a software program in the real world since 2000, a computer security program that can restore a computer hard drive back to its original configuration, under the Clean Slate name.⁶¹ Fortres claimed that it noticed a significant decline in sales after the film was released and believed that this decline was due to potential customers mistakenly believing that its Clean

58 INTA Website. <http://www.inta.org/Pages/Home.aspx>

59 Del Pizzo, Nancy. Developing A Uniform Test for "Reverse Confusion" Trademark Case in the Sports and Entertainment Industry. 14 Seton Hall J. Sports &Ent. L. 175 2004.

60 Fortres Grand Corp. v. Warner Bros. Entm't, Inc., No. 13-2337 (7th Cir. 2014)

61 Bason, Tamlin H. 'Clean Slate' Trademark Not Infringed By Use of Term in The Dark Knight Rises Movie. Bloomberg BNA, May 30, 2013.

Slate software is illicit or phony on account of Warner Bros.' use of "the clean slate" in the film. It claimed the use caused "reverse confusion." The district court, although noting the fact that Fortres was alleging reverse confusion of its product with a fictional program, concluded that the comparison must be with the actual creative work, the film and hence dismissed the complaint pursuant to the dissimilarity between the parties' goods. Fortres appealed and the Circuit Court affirmed the district court's ruling. The Circuit Court noted that Fortres' fundamental complaint was really one of dilution since it was claiming that Warner Bros.' use of "clean slate" had tarnished its Clean Slate trademark by associating it with illicit software. But the Circuit Court stated that "reverse confusion" could not be used to extend dilution protection to a non-famous trademark.

I cannot agree with the court's decision. Although using "the clean slate" as the name of a soft program in the movie or on the websites shall not be deemed as a trademark use, it gives Fortres merchandising right of the name on future production of a soft program and fame of the name as a trademark. We have to admit that an actual confusion has been caused by the actual merchandising right and actual fame. In a word, merchandise right gives a connection between the virtual world and real world. In my opinion, entertainment enterprises shall be very careful not to cause reverse confusion in their works. I suggest them to make a careful and thorough search before publication on every important element of their work compared to prior applied or registered trademarks. After publication, if they received complains about reverse confusion, it would better for them to give clarification announcement.

C. Trademark Restriction

Nevertheless, an entertainment enterprise does not need to worry that its every use of trademark shall be considered as infringement. Trademark law not only protects trademark owner's exclusive right to use the mark, but also restricts misuse of the right. Thus, trademark owner shall not prevent fair use of its mark.

1. Descriptive Fair Use

As we mentioned in the first part, if a mark merely and directly describe something about goods or services, like the kind, quality, quantity, intended purpose and etc, it lacks the distinctiveness to be recognized as a trademark. However, if a mark consists of a descriptive element and a distinctive element together, it is capable of registering as a trademark. In this case, the exclusive right to use the descriptive element of a mark is required to or automatically abandoned. Then others' using of the descriptive element in their own business is considered as descriptive fair use. Article 1115(b) (4) of Lanham (Trademark) Act (15 U.S.C.) and Article 51(1)2 of Korean Trademark Act are both regulations on this kind of fair use. In China, the fair use rule was added into the new Trademark Law as Article 59. The first paragraph of this article is about descriptive fair use.

Nevertheless, there is a limitation on the extent of descriptive fair use. The Lanham (Trademark) Act (15 U.S.C.) requires the description to be used fairly and in good faith only to describe the goods or services of such party.⁶² Korean Trademark Act requires the use to be in a common way.⁶³ Chinese Trademark Law does not have such a limitation, but many courts decisions have required the use to be in good faith, in necessary range and without confusion. For example, in

62 Lanham (Trademark) Act (15 U.S.C.) of the United States of 1946 and as amended: Article 1115(b)(4)

63 Lanham (Trademark) Act (15 U.S.C.) of the United States of 1946 and as amended: Article 51(1)2

China Film Association v. Shanghai World Cinema Window Periodical Office,⁶⁴ the court found the defendant liable as it highlighted the plaintiff's trademark "World Cinema" in the cover of their periodical "World Cinema Window"⁶⁵.

2. Functional Fair Use

Similar to descriptive fair use, functional fair use is the fair use of the functional part in a three-dimensional mark, the exclusive right of which has been abandoned. Article 1115(b)(8) of Lanham (Trademark) Act (15 U.S.C.), Article 51(1)4 of Korean Trademark Act and Article 59 paragraph 2 are regulations about this kind of fair use. However, if the mark owner is also the patent owner of this functional part, functional fair use shall not be an excuse for any infringement of the patent right, as long as the patent is valid.

3. Prior Right Fair Use

Although an application for registration of a mark shall not be against any prior right, if the application was in good faith, the examiner did not know the existence of the right and the prior right holder did not argue or failed in argument during the application, opposition or invalidation process, the mark would be successfully registered. But even in this situation, the prior right shall not be ignored or harmed. As to a prior used but not registered mark, the mark holder has the right to continue using it within the original scope not only in a "first to use" countries like the US, but also in "first to file" countries like Korea and China. But in latter two countries, the prior mark shall have certain influence among domestic consumers and its owner may be required to make appropriate indications to prevent any mistake or confusion. The relevant articles are Article 1115(b) (6) of Lanham (Trademark)

64 *China Film Association v. Shanghai World Cinema Window Periodical Office*, ChaoiMinChuZi-No30563 (2005).

65 Su Zhipu, Is "World Cinema" Exclusive? China Trademark, July 2007.

Act (15 U.S.C.), Article 57-3(1) of Korean Trademark Act and Article 59 paragraph 3 of the Chinese New Trademark Law.

Moreover, according to Article 1115(b)(4) of Lanham (Trademark) Act (15 U.S.C.) and Article 51(1)1 of Korean Trademark Act, other prior rights like people's name, trade name shall also be protected when they are used in common way. However, Chinese new Trademark Law still does not have such a rule. This is not good to the protection for those prior right holders in entertainment industry.

4. Nominative Fair Use

Nominative fair use is a fair use of a mark in order to identify the user's own goods or services. It was enunciated by the Ninth Circuit of the US, in *The New Kids on the Block v. News America Publishing*⁶⁶. The New Kids were a well-known teenage rock band. Two newspapers conducted polls of their readers to determine which one of the New Kids was the most popular. The New Kids claimed use of their name, which was trademarked, was likely to confuse consumers as to the source of the polls. The two defendants raised the First Amendment defense on freedom of speech, and explained that their purpose is only for news gathering. The District Court agreed on the ground contended by the defendants. The Ninth Circuit affirmed the decision, but created a new "nominative fair use" defense and found plaintiffs had no viable claims for relief. This defense is available if: (1) The product or service cannot be readily identified without using the trademark; (2) The user only uses as much of the mark as is necessary for the

66 *The New Kids on the Block v. News America Publishing*, 971 F.2d 302 (9th Cir.1992).

identification; (3) The user does nothing to suggest sponsorship or endorsement by the trademark holder.⁶⁷

In China, although there is no regulation in trademark law about nominative fair use, it is protected in judicial decisions and classified by scholars into descriptive fair use, as a description of the user's business. And it is also required to be used fairly and in good faith.

5. Freedom of Speech

Just mentioned in the previous paragraph, in the United States, there is a trademark fair use argument based on "freedom of speech". Freedom of speech can be defined as the right of an artist to say or write exactly what he or she thinks without fear of government retribution (with certain exceptions designed to protect the public safety and welfare).⁶⁸ This constitutional protection of free speech, appears in the First Amendment to the Constitution.

In *Rogers v. Grimaldi*,⁶⁹ the Second Circuit established "Rogers Test" for protecting use of trademarks that implicate intellectual freedom issues. In 1986, Alberto Grimaldi and MGM produced and distributed Federico Fellini film "Ginger and Fred", a film about Pippo and Amelia, two Italian cabaret performers whose routine emulated the more famous pairing of Fred Astaire and Ginger Rogers. Artist Ginger Rogers sued and claimed that the film violated her trademark rights. The lower court found no infringement. The Second Circuit, on appeal, noted that, "This appeal presents a conflict between Rogers' right to protect her celebrated name and the right of others to express themselves freely in their own

67 Burr, Sherri, Henslee, William D. Entertainment law : cases and materials on film, television, and music. Page 814-818

68 Helewitz, Jeffrey A., Edwards, Leah K.. Entertainment Law. Clifton Park, N.Y.: Thomson/Delmar Learning, 2004.

69 *Rogers v. Grimaldi*, 875 F.2d 994 (2d Cir. 1989)

artistic work." It affirmed the lower court's ruling and established a general rule, so-called "Rogers Test". The first prong of the test is whether the title has minimal artistic relevance to the content of the film. The second prong of the test is whether the title and the cover explicitly mislead the public as to the source or content of the work. "Rogers Test" has since been cited by numerous courts and has been expanded by the Ninth Circuit to the body of a work, not only the title.

In China, this restriction on the exclusive right of trademark is still categorized as descriptive fair use. For example, in *Shaanxi Zhimao Entertainment Ltd.co v. Dream Works Animation LLC & Paramount Pictures Corporation*⁷⁰, both in the first instance and second instance, the courts ruled that the defendants' use of "Konfu Panda" as their movie name is a comprehensive illustration of the theme and content of the movie, not a use of the plaintiff's trademark⁷¹.

6. Trademark Parody

A parody is a work created to imitate, make fun of, or comment on an original work by means of satiric or ironic imitation. It is originally a fair use of copyright that also derived from Freedom of speech. When the original work being imitated is a trademark, it turns into a trademark parody. Compared with the ordinary freedom of speech fair use of trademark, trademark parody is much more controversial as satirization or irony is really similar to tarnishment that may cause trademark dilution. Do you think the pictures below are dilution of Barbie Doll

70 Shaanxi Zhimao Entertainment Ltd.co v. Dream Works Animation LLC & Paramount Pictures Corporation, ErZhongMinChuZi-No.10236 (2011).

Shaanxi Zhimao Entertainment Ltd.co v. Dream Works Animation LLC & Paramount Pictures Corporation, GaoMinZhongZi-No.3027(2013).

71 Zhou Duo.Descriptive Use Defense in Determination of Trademark Infringement. China Intellectual Property News, March 7, 2014.

trademark or a trademark parody? The court says it is a parody⁷², but many people doubt. Anyway, I suggest entertainment enterprises shall be very careful on using a parody.



7. Comparative advertising

Comparative advertising is advertisement that compares alternative brands on objectively measurable attributes or price, and identifies the alternative brand by name, illustration or other distinctive information.⁷⁴ It is grouped by some scholars as one type of restrictions on trademark's exclusive right.⁷⁵ I cannot agree with this opinion as the justification of comparative advertising depends on its content.

According to Federal Trade Commission, comparative advertising shall be clearly identified, truthful, not deceptive and not disparaging. Otherwise, it would be considered as trademark infringement (dilution) or other unfair competition. Article 13 and 28 of Chinese Advertising law also stipulate that advertisements shall not be false or disingenuous to trick or mislead and shall not disparage the goods or services of any other producer or trade.⁷⁶ Only a justified comparative advertising could be considered as a fair use.

72 Mattel Inc. V. Walking Mountain Productions, 355 F.3d 792 (9th Cir.2003)

73 Pictures from <http://www.tomforsythe.com/>

74 4. Federal Trade Commission Commercial Practice Rule, 16 CFR of the United States of 2004: § 14.15 n 1

75 Song Haiyan. Entertainment Law. The Commercial Press, 2014.

76 Advertising Law of China as revised on April 24, 2015.

Based on whether the name of the compared brand is mentioned or not in the advertisement, comparative advertising is divided into direct comparative advertising and indirect comparative advertising. Only the direct ones relate to the use of trademark. Based on the relation between the two brands in an advertisement, comparative advertising is also divided into two kinds, critical or dependent. In critical advertisement, the advertiser tries to prove that its product is better than its competitor's, while in dependent advertisement, the advertiser tries to prove that its product is as good as the other's. For a justified critical advertising, I will classify it into trademark parody, as it is a comment or criticism on competitor's mark. As to a justified dependent advertising, I will classify it into nominative fair use, because it only helps the consumers to identify advertiser's product. Hence, I suggest that comparative advertising as a whole shall not be considered as one kind of restriction on trademark right. As comparative advertisement is always published through media of entertainment industry, entertainment enterprises shall be very careful about the content of a comparative advertisement.

IV. Conclusion

After discussion in the previous two parts about trademark issues in entertainment industry before and after trademark registration, I hope that my readers may have a lively impression of all trademark issues related to this industry. As we can see from the discussion, the same with different development stages of entertainment industry in US, Korea and China, their trademark protection systems related to the industry are also in different stages. Moreover, due to the complexity of entertainment industry and its related IP rights, it is hard to make a good

balancing between trademark right and other IP rights, or a clear distinction between use and misuse, fair use and infringement of trademark right.

A. Suggestions to Chinese Lawyers

Thus, I hope my thesis may help lawyers for entertainment enterprises to make a good decision on when, what and who to apply for a mark, and how to use, protect and restrict a mark in the three countries. I recommend them to register more three dimensional marks and sound marks, especially in China, register entertainment elements as earlier as possible to avoid being squatted, make a good arrangement on who has the right to apply for trademark registration. I suggest them to avoid cancellation of a mark on non-use ground, prevent infringement, especially dilution and reverse confusion, respect trademark fair use, and refrain from some controversial issues like trademark parody and comparative advertising.

B. Suggestions to Chinese Legislators

I hope that Chinese legislators in this area may learn from those advance theories and practices of US and Korea, to promote the development of Chinese trademark protection system and its entertainment industry. I recommend them to accept registration of motion marks, accept the double characters of goods and services, accept evidence submitted during the process of trademark registration. I also suggest them to provide more specific trademark regulations and examination guidelines against trademark squatting, require more on the use of a trademark, protect right of publicity and merchandising right, and prohibit illegal conversion of copyright and related right to trademark right.

I hope my thesis may give some help to all practitioners in entertainment law and to the development of and cooperation among the entertainment industry of US, Korea and China.

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국문초록

엔터테인먼트 산업 중 상표문제

탕웨이

법학과 법학전공

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엔터테인먼트 산업은 전 세계적으로 발전성과 수익성이 좋은 산업이라고 한다. 현재, 중국·한국·미국 사이 엔터테인먼트 기업간의 협력이 많이 발생하고 있다. 엔터테인먼트 산업의 건전한 발전과 보호를 위해서 관련 입법과 제도가 보장이 되어야 한다. 현재 엔터테인먼트 및 관련 산업에서 발생하는 법률 쟁점 중, 상표에 대한 문제가 점차 많이 발생하고 있는 추세이고 여러 실제 판례를 통해서도 상표의 중요성을 알 수가 있다. 필자는 중국에서 상표 전문가로, 서울대학교에서 미국 지적재산권 전공으로 공부하였고 엔터테인먼트 산업에 관심이 많아, 본 논문을 통해 엔터테인먼트 산업 중 상표문제에 대해 다루어 보고, 그 중요성에 대해서 인식하고자 한다. 많이 부족하지만 본 논문은 입법자 혹은 해당 업계에 종사(從事)하는 분들에게 다소 도움이 되었으면 한다.

본 논문은 상표관련 쟁점에 대하여 크게 두 개로, 상표 등록 이전과 이후로 나누어서 설명을 하고 있다. 상표 등록 전에 무엇을 등록하고, 언제 등록하고, 누가 등록하는 것에 대해서 명확히 알아두어야 할

필요가 있다. 필자가 엔터테인먼트 관련 기업들이 흔히 사용하는 연예인 이름, 작품 캐릭터, 3D 표지상표, 소리상표, 동작상표 등을 서술하고 분석하고자 한다. 그리고 상표의 등록 요건, 우선권, 차별성, 합법성 등에 초점을 두어 엔터테인먼트 산업에서 흔히 발생하는 크로스클래스 캐릭터 서비스 및 상표스퀴팅에 대해서 분석하고자 한다. 상표등록 후에는 상표의 사용, 보호 방법 및 제한에 대해서도 다루고자 한다. 특히 해당 상표의 비(非)사용으로 인한 등록상표의 취소, 상표권 침해, 또한 희석화 및 역혼동 등 문제에도 분석할 필요가 있다. 또한 상표권 제도의 서술한 공정이용(descriptive fair use)과 지명한 공정이용(nominative fair use) 등 부분에도 예를 들어서 설명하고자 한다.

본 논문에서 분석결과 중·한·미 삼국은 엔터테인먼트산업에 있어서 상표보호 제도가 서로 다른 발전단계에 있다는 것을 알 수가 있다. 더 나아가서 엔터테인먼트 산업 및 관련 지적재산권의 복잡성으로 인한 상표권과 기타 지적재산권 사이의 갈등, 합법 사용 및 불법 사용, 공정이용 및 상표권 침해의 한계 등 부분에 있어서 명확하게 해결하기에는 결코 쉬운 일은 아니다. 본 논문은 관련 산업의 입법자나 학자들에게 조금이라도 도움이 되었으면 하는 바람으로, 정부의 엔터테인먼트 산업과 상표 보호에 대하여 조금이나마 보탬이 되었으면 한다.

키워드: 엔터테인먼트, 상표, 상표 등록요건, 혼동, 상표스퀴팅, 공정이용

학번: 2013-23892