

# CHINA IN YOUR HANDS

How to get ready to enter one of the world's biggest economies

by Jacqueline Verwerft, Product Manager 3rd Parties of Thomson CompuMark

Apart from the booming economic growth, the recent 2008 Olympic Games have encouraged companies to venture into China. Should you have plans in this direction, then the following information will be of interest.



## GROWING IMPORTANCE IN IP

With its population of 1.25 billion, China represents 21% of the world's total population. But what effect does this enormous country have on the world of trademarks? We start of with some facts and figures.

In 1983, China had 20 000 new trademark registrations, 1 687 of which were of foreign origin. According to the latest statistics from the State Administration for Industry and Commerce (the SAIC), the number of applications for trademark registrations with the Trademark Office in 2008 were 698 119, and the number of approved trademarks reached 517 265.

As a result China has a total of 3 441 159 registered trademarks. About a fifth of all registrations are of foreign origin and cover 129 countries and regions, with the United States, Japan and Germany ranked first.

In 2008, the SAIC handled 56 634 cases of trademark infringement. 11 142 of these involved a trademark of foreign origin.

## THE PERFECT EQUIVALENT

Before getting to the starting blocks, it is crucial to create a perfect Chinese equivalent to your trademark. Given the unique characteristics of the Chinese language, this creation should preferably be done by trademark and marketing professionals, translators and native speakers.

Going into the Chinese market without a Chinese equivalent may lead to weaken or even harm the standing tradition of your trademark. The following examples illustrate what could happen if you were simply to leave it up to the market:

- Local consumers of *Quaker Oats* products linked the Quaker man logo with the nickname 'Lao Ren Pai' which literally means 'old man brand'.
- The *Ralph Lauren Polo* company had to face much to their regret that their mark is known in China as 'San Jiao Ma' which stands for 'three legged horse'.



**IMPORTANT CONSIDERATIONS**

When you create a Chinese version of your trademark, you should ask yourself whether to opt for a literally translated or a phonetically transliterated trademark. Whatever you decide, you should always keep in mind the meaning of the Chinese version of your trademark as this can influence its image.

**Translating a trademark** could be an option, but this is possible only in the case of trademarks with a distinctive meaning. Some examples of translated trademarks are:

- Apple Computers: 'Ping Guo', the Chinese word for 'apple'.
- Microsoft: 'Wei Ruan', a combination of the exact translation of 'micro' and 'soft'.
- Palmolive: 'Zong Lan' a combination of the exact translation of 'palm' and 'olive'.

**Transliterating a trademark** involves choosing Chinese characters that represent the same sound as the original foreign trademark. Note that certain Chinese characters may also be pronounced in different ways in the different dialects. Furthermore, certain sounds that occur in a foreign language can have an absurd meaning or negative connotation in Chinese. Some examples of transliterated trademarks are:

- McDonalds becomes 'Mai Dang Lao'.
- Ferrari becomes 'Fa La Li'.
- Cartier's becomes 'Ka Di Ya'.

You could also **combine both of the foregoing options** by creating a name that sounds similar to the foreign trademark but at the same time refers to the qualities of the product. Some examples of a combination of both options are:

- Coca Cola becomes 'Ke Ku Ke Le' meaning 'allowing the mouth to rejoice'.
- Pepsi Cola becomes 'Bai Shi Ke Le' meaning 'everything makes you happy'.

**Can the name be understood by dialect groups** in Taiwan, Hong Kong and Singapore? The national language in China is Mandarin, the dialect of Beijing. In Chinese, this dialect is known as Putonghua, literally meaning 'common language'. Next to Mandarin, Chinese has many dialects, e.g. Cantonese, Hokkien and Shanghainese.

There are also two types of Chinese characters: on the one hand the simplified Chinese characters and on the other hand the traditional, more complex characters that are also used in other parts of Asia. Naturally, in both cases it is strongly recommended to ask the advice of local native speaking trademark specialists.

**CLEARANCE AND PROTECTION**

Once you have created your Chinese trademark, the next important steps are to clear the availability of the trademark, to register it and finally to protect this valuable asset.

Again in view of the complexity of the Chinese language, it is very important that the company conducting the search and the watch engages local experts who take account the various aspects of the language and the local legislation.

The following example illustrates only too clearly why local knowledge is crucial. These two trademarks might well appear to be similar in Pinyin (the Chinese phonetic alphabet that uses Latin characters), but are considered dissimilar because their composing characters differ both in their visual appearance and in their meaning.

美艳

In Pinyin these Chinese characters read 'Mei Yan'. 'Mei' means 'beautiful' and 'Yan' means 'amorous'.

梅雁

Also these characters read 'Mei Yan', however pronounced in a slightly different way. As a consequence, the meaning changes. In this case, 'Mei' means 'plum' and 'Yan' stands for 'wild goose'.

**LOCAL EXPERTISE**

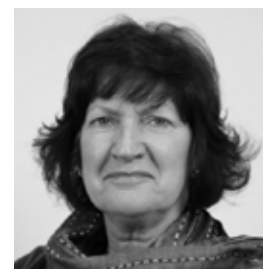
Due to the complexity of the Chinese language and the growing interest in the expanding Chinese economy, Thomson CompuMark has developed special trademark services for China:

- Creation of a Chinese equivalent
- Availability search with interpretation
- Non-Latin character watch

Our local experts can create a Chinese version of your trademark that refers to the qualities of the product. On top of that, the created equivalent will also be checked on its availability in the market.

Our availability search with interpretation and our non-Latin character watch are invaluable for achieving and protecting your Chinese trademark rights. Both services:

- give the grounds for selection, by explaining the meaning of the Chinese characters as well as their pronunciation
- give the local expert's advice on the overall degree of similarity
- are conducted by local, native speaking trademark professionals who take into account the specific characteristics of the Chinese language and the local jurisprudence.

**WHEN CREATING A CHINESE VERSION OF YOUR TRADEMARK, YOU SHOULD ASK YOURSELF:**

- Should I opt for a literally translated or a phonetically transliterated trademark? Or for a combination of both?
- What meaning does the Chinese equivalent have?
- Can the trademark be understood by the various dialect groups?
- Should I opt for the simplified or for the more traditional and complex Chinese characters, also used in other parts of Asia?

**CONTACT**

**Thomson CompuMark**  
Sint-Pietersvliet 7  
2000 Antwerp  
Belgium  
Tel + 32 3 220 72 11  
Fax + 32 3 220 73 90  
compumark.be@  
thomsonreuters.com

**thomsonreuters.com**  
**compumark.thomson.com**

