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Parallel Play: The Simultaneous Professional Responsibility Campaigns Against Unethical IP Practitioners by the United States and China

Mark A. Cohen

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PARALLEL PLAY: THE SIMULTANEOUS PROFESSIONAL RESPONSIBILITY CAMPAIGNS AGAINST UNETHICAL IP PRACTITIONERS BY THE UNITED STATES AND CHINA

Mark A. Cohen *

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*During Parallel Play, children are playing alongside each other but are focused on themselves and their own activity. They have no interest in actual interactive play with the other child(ren)*¹

I. INTRODUCTION

Since 2012, the two largest IP agencies in the world, China’s National IP Administration (“CNIPA”) and the United States Patent and Trademark Office (“USPTO”), have embarked on the largest IP professional responsibility disciplinary campaigns in their respective histories and, most likely, in the histories of any legal disciplinary authority in the world. They have also been uniquely transactional in scope.² These actions have thus far been parallel, rather than reciprocal or

1. *Parallel Play: Definition, Benefits & Activities to Support It*, THE MONTESSORI-MINDED MOM, (Sept. 30, 2022) <https://reachformontessori.com/parallel-play-definition-activities-toys-to-support-it/> [<https://perma.cc/J9F5-6BUJ>].

2. After inquiries sent to all 50 state bars and the District of Columbia, I have thus far only been able to find one case brought by a state bar imposing sanctions on a U.S.-admitted lawyer for his actions overseas. *See In Re O’Neill*, 277 A.3d 938 (D.C. 2022).

cooperative in nature. They have also occurred contemporaneously. These mirrored enforcement activities do not benefit from sustained collaborative efforts with each other and in that respect are analogous to Swiss Psychiatrist's Jean Piaget's notion of children's "pre-operational" stage of cognitive development, typically ages 2-7, when they are engaged in "parallel play." Such non-interactive parallel activities are not surprising in light of tense bilateral relations. However, they do mark a break from a long history of low-profile and important collaboration engagement in intellectual property over several decades that has benefited both the United States and China.

While each country has handled its disciplinary efforts differently, the campaigns of these two offices, when aggregated together, have resulted in fines, damages, disbarment or suspension of rights to practice of a number of their respective offices' trademark attorneys, patent attorneys, patent agents, and trademark agents (collectively "IP Practitioners"), as well as sanctions against their firms; threatened expungement of IP rights; cancellation or suspension in trade of hundreds of thousands of IP registrations; referrals to other avenues of enforcement; publicity campaigns; changes in laws, regulations and disciplinary procedures; creation of special task forces; and other remedies.

These simultaneous parallel actions also reveal differences in understanding regarding the role of attorney discipline and appropriateness of various disciplinary measures. For example, Chinese efforts have generally focused on behavior occurring within China without an overt extraterritorial dimension. United States efforts have focused on fraudulent trademark activity occurring in the United States, but typically originating from overseas applicants. The majority of those applications have come from China. In addition, Chinese practice has focused on "rectifying" the impact of bad behavior on the market and accompanying modest fines, rather than the USPTO remedy of suspensions from practice. The USPTO generally focuses on disciplinary measures against those who practice before the office, the nature of the fraudulent activities undertaken before the office, and their impact on the trademark register.

One other significant difference between the two parallel campaigns has been the willingness of the national IP authorities to recognize that its activities constitute a sustained coordinated effort, or campaign. CNIPA's "Blue Sky" (蓝天) Campaign has leveraged recent amendments in the Trademark Law, as well as new rules on patent agent and trademark agent conduct, to pursue cases of malicious trademark applications, unqualified agencies, forgery and alteration of official documents, and solicitation of

business by improper means as well as other “abnormal” conduct in patent and trademark applications. This campaign builds upon decades-long efforts to reduce fraud in patent prosecution.³ As discussed later in this article, recently proposed amendments to China’s trademark law,⁴ if enacted, will codify many of the initiatives that the campaign has undertaken.

According to an interim two-year report of Lei Xiaoyun, Director of the Utilization Promotion Department of CNIPA, in the two years since the Blue Sky Campaign was launched until January 27, 2021, a total of 2,950 patent and trademark agencies have been interviewed, 1,095 agencies have been ordered to rectify their conduct, 330 cases have been investigated and addressed, and 182 administrative penalties have been imposed.⁵ The China Chamber of International Commerce, in a separate submission to the Office of the U.S. Trade Representative (“USTR”), estimated that 810,000 “abnormal” patent prosecution activities had been detected, in every province.⁶ These enforcement activities have extended as far as Tibet.⁷ In a subsequent press conference in early 2022 on the

3. See Mark A. Cohen, *IPO Comments on CNIPA Provisions On Patent Application Behavior*, CHINA IPR (Dec. 19, 2022, 7:40 PM), <https://chinaipr.com/2021/06/09/ipo-comments-on-cnipa-provisions-on-patent-application-behavior/> [<https://perma.cc/KE8H-HM74>]; Guo jia zhi shi chan quan ju gong gao di si yi yi hao (国家知识产权局公告第四一—号) [CNIPA Press Release No 411] CNIPA (Mar. 11, 2021), http://www.gov.cn/zhengce/zhengceku/2021-03/13/content_5592724.htm# [<https://perma.cc/4BNM-Y3JC>].

4. Guo jia zhi shi chan quan ju guan yu “zhong hua ren min gong he guo shang biao fa xiu ding cao an (zheng qiu yi jian gao) gong kai zheng qiu yi jian de tong zhi, 国家知识产权局关于《中华人民共和国商标法修订草案（征求意见稿）》公开征求意见的通知 [Notice of the China National Intellectual Property Administration on Public Comments on the “Draft Amendment to the Trademark Law of the People’s Republic of China”], CNIPA (Jan. 13, 2023), https://www.cnipa.gov.cn/art/2023/1/13/art_75_181410.html [<https://perma.cc/8VXZ-KTQK>] [hereinafter *Proposed Trademark Law*]. For translations of the proposed amendments and the explanatory note, see Mark A. Cohen, *BCLT Forthcoming Roundtable on Proposed Trademark Law Revisions*, CHINA IPR, (Jan. 27, 2023) <https://chinaipr.com/2023/01/27/bclt-forthcoming-roundtable-on-proposed-trademark-law-revisions/> [<https://perma.cc/HE8Z-57MC>].

5. Zhang Quan (张泉), “Lan tian” xing dong kai zhan liang nian lai, gong yue tan zhuan li, shang biao dai li ji gou 2950 Jia (“蓝天”行动开展两年来，共约谈专利、商标代理机构2950家) [In the two years since the launch of the “Blue Sky” Campaign, a total of about 2,950 patent and trademark agencies have been interviewed], WECHAT (last visited Dec. 19, 2022), <https://mp.weixin.qq.com/s/GdQj3istYbY1kPpUoVJC7g> [<https://perma.cc/K9MR-95WQ>].

6. 2022 Special 301 Review Written Comments of China Chamber of International Commerce, CHINA CHAMBER OF INT’L COM. (Jan. 31, 2022), <https://www.regulations.gov/comment/USTR-2021-0021-0010> [<https://perma.cc/GKW2-J5D8>].

7. Xizang zi zhi qu kai zhan zhi shi chan quan dai li hang ye “Lantian” zhuan xiang zheng zhi xing dong qu de Jie duan cheng xiao (西藏自治区开展知识产权代理行业“蓝天”专项整治行动取得阶段成效) [The Tibet Autonomous Region launched the “Blue Sky” special rectification action of the intellectual property agency industry and achieved phased results], Xizang zhi zhi qu shi chang jian du guan li ju (西藏自治区市场监督管理局) [TIBET AUTONOMOUS REGION

2021 campaign results, CNIPA calculated that the Blue Sky Campaign had resulted in 23,000 Chinese trademark agencies being “rectified,” 130 cases had been brought against trademark agencies involved in squatting, 3 trademark agencies had ceased operations, platform-based trademark agency and transaction behaviors were regulated, and 2.07 million maliciously applied trademarks suspected of being traded were withdrawn from the market.⁸ In the absence of greater transparency, much of these data, although impressive, are difficult to verify. In addition, there are certain policy proposals and experiments being undertaken to grant private remedies, including awarding civil compensation for victims of fraudulent or malicious trademark prosecutions or litigation, as well as a compulsory transfer of rights to a victim.⁹

Contemporaneous with the Blue-Sky Campaign, the USPTO has sought to address the avalanche of fraudulent trademark filings, most of which have originated from China, through adjustments in internal office procedures and sustained disciplinary campaigns. The Office of the Trademark Commissioner of the USPTO alone had published over 561 Orders to Show Cause to address perceived fraud in trademark prosecution.¹⁰ Tens of thousands of trademarks or trademark applications are in the process of being reviewed for likely cancelation, expungement, or non-renewal. U.S. attorneys and their overseas affiliates have also been sanctioned by the Commissioner of Trademarks or the USPTO Office of Enrollment and Discipline (“OED”) in increasing numbers.

The impact on USPTO policy and legislation from these fraudulent activities has also been significant. USPTO has sought and obtained changes to relevant trademark legislation, including the “domestic

AMR] (July 19, 2022) <http://amr.xizang.gov.cn/content/tpxw/62d61351695ecb76064d09e6.htm> [<https://perma.cc/572B-N278>].

8. Guo xin ban ju xing 2021 nian zhi shi chan quan xiang guan gong zuo tong ji shu ju fa bu hui (国新办举行2021年知识产权相关工作统计数据发布会) [*State Council Information Office 2021 Press Conference on Intellectual Property Related Work Statistics*], THE STATE COUNCIL INFO. OFF. OF CHINA (Jan 12, 2022), <http://www.scio.gov.cn/xwfbh/xwfbh/wqfbh/47673/47698/index.htm> [<https://perma.cc/U938-RM7Z>].

9. Proposed Trademark law, Art. 83 (“Civil Compensation for Malicious Registration of Trademarks”), Art. 84 (“Counterclaim for Malicious Litigation”), Art. 45 (“Invalidation on Relative Grounds and Transfer of Trademark”). See also *Emerson Electric Co. v. Wang Yiping*, Min 02 Fujian High Court, *aff’g* *Emerson Electric Co. v. Wang Yiping*, Min Civil Second Instance Case N. 112 (2021), Xiamen Intermediate Court, Civil First Instance No. 149 (2021) (civil compensation for malicious litigation). Copies of these decisions are available from the author. No appeal was taken to the Supreme People’s Court of the *Emerson* case.

10. *Orders Issued by the Commissioner for Trademarks*, USPTO, <https://www.uspto.gov/trademarks/trademark-updates-and-announcements/orders-issued-commissioner-trademarks> [<https://perma.cc/PUC7-PXF6>] (last viewed on Dec. 26, 2022).

counsel” rule and the Trademark Modernization Act of 2020 (“TMA”)¹¹ to improve enforcement. USPTO has also reallocated staff within the agency to better address mounting concerns over the fraudulent trademarks, which have continued to increase,¹² including establishing a special task force to deal with trademark application fraud in 2019, consisting of attorneys, analysts, cyber investigators, and IT personnel to investigate submissions suspected of violating U.S. rules of practice, OED rules, or USPTO’s terms-of-use for its computer and payment systems.¹³ Unlike China, the role of civil remedies, including malpractice claims against attorneys by applicants who may have been victimized by fraudulent filings or expedited transfer of expunged trademarks, has rarely been discussed.

Recent efforts by the Commissioner of Trademarks and OED to address fraudulent trademark applications originating from China have also shifted the USPTO’s historic focus in attorney disciplinary proceedings from patent-related matters to trademarks.¹⁴ As Will Covey, the Director of OED and Deputy General Counsel of USPTO, noted at a recent conference sponsored by the American Intellectual Property Law Association (“AIPLA”), “trademarks used to be the sleepy, kind of over there on the side for OED, not so anymore, they are front and center for us [now].”¹⁵ CNIPA has also undergone a similar reorientation in its approach from patents to trademarks, largely due to significant institutional, legislative, and policy changes that have occurred during the past five years and have affected Chinese trademark prosecution.

The U.S. and Chinese disciplinary activities and the targets of these disciplinary actions have overlapped. Despite a long history of productive

11. Trademark Modernization Act of 2020 as incorporated in Consolidated Appropriations Act of 2021, Pub. L. 116-260, Subtitle B, Section 221, 134 Stat. 1182.

12. Among the reassigned staff has been Amy Cotton, who was moved from the Office of Policy and International Affairs (“OPIA”) to be Deputy Commissioner for Trademark Examination Policy, Jennifer Chicoski, who was reassigned from the Trademark Office to OPIA with responsibility for China, and Michael Mangelson, who was brought onto the China team as its Senior Counsel, after the completion of his tour as IP Attaché in Shanghai.

13. Drew Hirshfeld, *Director’s Blog: USPTO’s Comprehensive Strategy to Fight Trademark Fraud*, USPTO (Aug. 18, 2021), <https://www.uspto.gov/blog/director/entry/uspto-s-comprehensive-strategy-to> [https://perma.cc/HPS9-RP5Z].

14. Jon J. Lee, *Double Standards: An Empirical Study of Patent and Trademark Discipline*, 61 B.C. L. REV. 1613, 1664 (2020), https://scholarship.law.umn.edu/faculty_articles/669 [https://perma.cc/BD7S-VLJB] [hereinafter “Jon Lee Article”]. For a discussion of ethical risks of patent agents, see David C. Hricik, *Patent Agents: The Person You Are*, 20 GEO. J. LEGAL ETHICS 261 (2007).

15. Will Covey, Director, U.S. Patent and Trademarks Off., Off. of Enrollment and Discipline, Am. Intell. Property L. Ass’n Annual Meeting (Oct. 28, 2022) [hereinafter “AIPLA Annual Meeting Materials”].

exchanges on intellectual property matters, the current geopolitical environment between the United States and China has not led to significant collaboration between the two offices in addressing shared challenges. The sequences of events in both countries nonetheless demonstrates that both offices are likely observing how best to organize a disciplinary campaign; the types of targets for these campaigns, often making similar policy decisions on the role of disciplinary actions; and taking other steps that they need to take to address fraudulent behavior in accordance with their own legal traditions. These quiet, parallel activities suggest possibilities for mirrored activities by each agency of the other's activities and may hopefully augur a time when robust cross-border cooperation on disciplinary matters is possible.

Though looking at the role of attorney discipline in addressing massive fraudulent behavior, this paper adds to the limited scholarship on the role of IP Lawyers as subjects of professional responsibility¹⁶ and the even more limited scholarship on China's emerging professional responsibility regime.¹⁷ By comparing these two national disciplinary campaigns, this paper also hopes to shed light on the inherent limits of using disciplinary actions to address systemic IP issues arising from domestic or foreign government policies or economic developments and the need for cross-border cooperation to address cross-border problems. Finally, this paper hopes to contribute to the existing literature on government enforcement campaigns, particularly intellectual property campaigns and how they may be better managed¹⁸ in the countries that utilize them.¹⁹

16. Mark A. Cohen, *International Law Firms in China: Market Access and Ethical Risks*, 80 *FORDHAM L. REV.* 2569 (2012).

17. Judith A. McMorro, Benjamin Van Rooij & Sida Liu, *Lawyer Discipline in an Authoritarian Regime: Empirical Insights from Zhejiang Province, China*, 30 *GEO. J. LEGAL ETHICS* 2 (2017); Judith A. McMorro, *Professional Responsibility in an Uncertain Profession: Legal Ethics in China*, 43 *AKRON L. REV.* 3, Article 14 (2010). For recent scholarship regarding the role of Chinese lawyers in transnational transactions, see Li Liu & Rachel E. Stern, *State-adjacent Professionals: How Chinese Lawyers Participate in Political Life*, in *THE CHINA QUARTERLY*, 247, 793-813 (2020); Matthew Erie and Sida Liu, *The Forms and Architects of China's International Legal Order*, 46 *YALE J. INT'L L. ONLINE* 46 (2021), <https://www.yjil.yale.edu/files/2021/07/Erie-Liu-Forms-Architects-of-Chinas-International-Legal-Order.pdf> [<https://perma.cc/2BJ2-GD8Q>] (discussing how Chinese companies select counsel in international projects).

18. See MARTIN K. DIMITROV, *PIRACY AND THE STATE: THE POLITICS OF INTELLECTUAL PROPERTY RIGHTS IN CHINA* (2009); ANDREW C. MERTHA, *THE POLITICS OF PIRACY: INTELLECTUAL PROPERTY IN CONTEMPORARY CHINA* (2007); Adela Hurtado, *Protecting the Mickey Mouse Ears: Moving Beyond Traditional Campaign-Style Enforcement of Intellectual Property Rights in China*, 28 *FORDHAM INTELL. PROP. MEDIA & ENT. L. J.* 421 (2018).

19. While intellectual property campaigns are less common in the United States with its emphasis on civil enforcement of intellectual property, comparisons can also be made with the FBI's

II. U.S.-CHINA IP PROFESSIONS AND DISCIPLINARY MECHANISMS COMPARED

A. *The Taxonomy of U.S. IP Practitioners*

USPTO is a constituent agency of the U.S. Department of Commerce that is tasked with examining and granting United States patent rights, as well as federal trademark rights for use in international and interstate commerce. State governments also grant trademark protection within their respective state boundaries. The Director of the USPTO also serves as the Under Secretary for Intellectual Property of the Department of Commerce, with broad authority over IP policy whether or not it involves a right that is registered with USPTO. USPTO's authority derives in part from Article 1, Section 8 of the United States Constitution which grants the federal government the authority to grant patents and copyrights, the plenary authority of Congress to regulate interstate commerce, as well as from enabling provisions of various intellectual property-related laws.

USPTO's specific authority to regulate practitioners is principally derived from the Administrative Procedure Act, the Patent Law, and relevant case law. The USPTO Director is authorized by law to determine "the necessary qualifications to render applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."²⁰ Court cases have similarly noted that the USPTO has "broad authority to govern . . . the recognition and conduct of attorneys" who practice before it.²¹ The Administrative Procedure Act similarly delegates authority to the USPTO to regulate attorneys in patent practice appearing before it.²²

The USPTO recognizes and regulates several different professionals who practice before it. The principal focus of this article is trademark

China initiative, which also used public law remedies (criminal enforcement) to address an IP issue (trade secret misappropriation). This campaign was criticized as unduly focused on "Chineseness" in pursuing criminal cases. Margaret K. Lewis, *Criminalizing China*, 111 J. CRIM. L. & CRIMINOLOGY 145 (2020). The USPTO campaign has similarly been criticized for its "Sinophobia." Tim Lince, "USPTO Criticized in Scathing Report; U.S. Department of Commerce Expert Warns of Troubling Sinophobia" (World Trademark Review, Aug. 16, 2021). A U.S. trademark practitioner, Pamela Chestek, also accused the OIG of supporting this Sinophobia: "1/16 I am so troubled by the sinophobia [sic] underlying all of this. In addition to the offensiveness of discriminatory behavior generally, the USPTO's sinophobia [sic], adopted by the GAO, interferes with their ability to problem solve. . . ." Pchestek@lawbuilders (@pchestek), TWITTER (Aug. 15, 2021, 10:46 AM), <https://twitter.com/pchestek/status/1426918339570511884> [<https://perma.cc/DES6-74GJ>].

20. 35 U.S.C. 2(b)(2)(D).

21. *Lacavera v. Dudas*, 441 F.3d 1380, 1383 (Fed. Cir. 2006).

22. 5 U.S.C. 500(e).

attorneys. Trademark attorneys are U.S.-licensed attorneys in good standing before a state bar.²³ They may practice federal trademark law as well as engage in other non-patent prosecution matters before the agency.²⁴ Other professionals include patent attorneys, i.e., licensed attorneys in good standing before a state bar who are also citizens or lawful permanent residents of the United States and have satisfied certain scientific and technical requirements, and who have passed the patent bar exam;²⁵ and patent agents, who are citizens or lawful permanent residents, who have satisfied certain scientific and technical requirements, and who have passed the patent bar exam.²⁶ USPTO has also recently proposed creation of a new design patent bar.²⁷ Until 1957 the USPTO also licensed non-lawyer trademark agents, who may still practice today before the USPTO on trademark matters.²⁸

Attorneys who practice trademark law before the USPTO do not apply for registration or recognition or take a special exam. Their “ticket” to practice is their state bar admission.²⁹ Unlike patent agents, this effectively permits non-U.S. nationals or non-permanent residents or even non-graduates of U.S. law schools, to practice trademark law in the United States, depending on state bar requirements.³⁰ Trademark attorneys, however, cannot appear before the USPTO on patent prosecution matters, nor are they otherwise authorized to practice law by the USPTO.³¹ Patent agents similarly cannot appear before the USPTO on non-patent matters.³² Patent agents also lack the authority to represent clients in court.³³

23. For simplicity, I refer to “state bar” to include all disciplinary authorities of the 50 states, D.C., Puerto Rico and any U.S. territory.

24. 37 C.F.R. § 11.14(a).

25. 37 C.F.R. § 11.7.

26. 37 C.F.R. § 11.7(b)1(D).

27. *Expanding Admission Criteria for Registration To Practice in Patent Cases Before the United States Patent and Trademark Office*, 87 FED. REG. 63044 (Oct. 18, 2022).

28. 37 C.F.R. § 11.14(b).

29. 37 C.F.R. § 11.14(a); 35 C.F.R. § 11.5(a).

30. Foreign-trained attorneys with (or without) a U.S. LL.M. degree may sit for the bar exam combined with other requirements in many states, including Texas, the District of Columbia, Illinois, Maryland, Massachusetts, North Carolina, Ohio, Pennsylvania, Tennessee, and Washington. See NAT’L COUNCIL OF BAR EXAM’RS, *The Comprehensive Guide to Bar Admission Requirements* (2022).

31. *In Re Campbell*, Dec. Comm’r Pat., Proceeding No. D2014-11 (2014) (Initial Decision on Default Judgment) (A patent agent who held himself as a lawyer representing clients on DUI matters was barred from practice before the office).

32. 37 C.F.R. § 11.14(b); *In Re Campbell*, Dec. Comm’r Pat., Proceeding No. D2014-11 (2014) (Initial Decision on Default Judgment).

33. 37 C.F.R. § 11.14(d).

Reciprocal recognition of foreign IP Attorneys is theoretically possible before the USPTO. In practice, reciprocal recognition is now only extended to Canadian practitioners. China has recently begun to make it possible for foreign patent agents to practice in certain circumstances before CNIPA. There is now a theoretical possibility for some form of reciprocal recognition, although it appears unlikely in the current geopolitical circumstances.³⁴

Reciprocal state disciplinary actions, against lawyers admitted in the various states after a USPTO disciplinary determination, or by USPTO in response to discipline in a constituent state of the United States, is a relatively common aspect of OED disciplinary actions. See Appendix I for a listing of the status of certain representative reciprocal state-level cases involving Chinese trademark applications. Similar reciprocal international disciplinary actions are rare.³⁵ USPTO rules, however, do not distinguish between providing reciprocal enforcement of state level or foreign bar decisions. USPTO rules provide that “It is professional misconduct for an attorney to: Be publicly disciplined on ethical or professional misconduct grounds by any duly constituted authority of: . . . (3) A country having disciplinary jurisdiction over the practitioner.”³⁶ Evidence of such misconduct is also accepted by OED as adequate to satisfy a reciprocal disciplinary action. USPTO rules similarly provide that “a final adjudication, regardless of the evidentiary standard, in another jurisdiction, that a practitioner . . . has committed misconduct shall establish a prima facie case by clear and convincing evidence of misconduct.”³⁷ USPTO rules similarly require that proof of a disciplinary

34. Zi you mao yi shi yan qu nei shen qing zhuan li dai li ji gou zhi ye xu ke gao zhi cheng nuo shu (自由贸易试验区内申请专利代理机构执业许可告知承诺书) [*Commitment Form to Apply for a Patent Agency Practice License in the Pilot Free Trade Zone*], CNIPA (Dec. 1, 2019), <http://www.cnipa.gov.cn/20200506111529635404.pdf> [<https://perma.cc/TJZ9-Z7NJ>] (hereinafter “FTZ Rule”).

35. See *In the Matter of Jamie Bashtanyk*, Dec. Comm’r Pat., Proceeding No. D2020-09 (2020) (Canadian trademark agent resigned on consent before USPTO) https://foiadocuments.uspto.gov/oed/Bashtanyk_Final_Order_D2020-09_dated_04_17_2020_Redacted.pdf [<https://perma.cc/8GTC-69UV>]. Bashtanyk is in good standing before the College of Patent Agents and Trademark Agents of Canada and appears to have maintained an active practice in Canada despite the disciplinary matter. See *Search for Bashtanyk*, COLL. OF PATENT AGENTS AND TRADEMARK AGENTS, <https://cpata-cabamc.portalea.thentiacloud.net/webs/portal/register/#/search/Bashtanyk/0/20/all/all/false/profile> [<https://perma.cc/8FAF-6YPU>] (last access Feb. 4, 2023); see also *Find Canada Trademarks by Trademark Correspondent Jamie Bashtanyk*, TRADEMARK ELITE, <https://www.trademarkelite.com/canada/trademark/correspondent/JAMIE%20BASHTANYK/15612> [<https://perma.cc/MK8C-MYKW>].

36. 37 C.F.R. § 11.804.

37. 37 C.F.R. §§ 11.24(e), 11.804(h).

violation need only be established by “clear and convincing evidence.”³⁸ USPTO-admitted practitioners are also required to notify the USPTO of disciplinary actions against them by “another jurisdiction.”³⁹

USPTO’s provisions on reciprocal discipline make it likely that a foreign disciplinary matter could bind the USPTO to discipline an attorney without sufficient inquiry into the nature of the disciplinary proceedings. The Uniform Foreign Money Judgments Recognition Act, by contrast, at least permits the enforcing jurisdiction to decide that the foreign jurisdiction had “impartial tribunals or procedures compatible with the requirements of due process of law.”⁴⁰ Dual-admitted lawyers who are licensed in autocratic countries may be disbarred for those countries for political reasons. Such actions may have little bearing on an attorney’s ability to practice in the United States, including before the USPTO.⁴¹ USPTO may wish to consider revising its provisions regarding reciprocal enforcement to address the challenges of reciprocal enforcement by autocratic countries.

The official international position of the U.S. government regarding nationality requirements for USPTO practice in trade negotiations is more limited than current USPTO practice. The Schedule of Specific Commitments submission by the United States implementing the General Agreement on Trade in Services (“GATS”) at the World Trade Organization is that “US citizenship is required to practice before the US Patent and Trademark Office.”⁴² The GATS commitment, were it to be implemented by the USPTO, excludes permanent residents from the patent bar and U.S. lawyers who are non-citizens from practicing trademark law. However, this GATS obligation is only a ceiling on the potential scope of regulation, and the USPTO has imposed less stringent requirements without offending WTO rules.

38. 37 C.F.R. § 11.49.

39. 37 C.F.R. § 11.24.

40. Foreign Country Money Judgment Recognition Act § 4(c)7 (NAT’L CONF. OF COMM’RS ON UNIF. STATE L. 2005).

41. See, e.g., *Urgent Action: Crimean Human Rights Lawyers Disbarred (Russian Federation/Ukraine: UA 75.22)*, Amnesty Int’l (Aug. 22, 2022), <https://www.amnestyusa.org/urgent-actions/urgent-action-crimean-human-rights-lawyers-disbarred-russian-federation-ukraine-ua-75-22/> [https://perma.cc/4XHA-JUSW].

42. GENERAL AGREEMENT ON TRADE IN SERVICES, UNITED STATES OF AMERICA—SCHEDULE OF SPECIFIC COMMITMENTS, Apr. 15, 1994, WTO Doc. GATS/SC/90, 16, https://docs.wto.org/dol2fe/Pages/FE_Search/FE_S_S009-DP.aspx?language=E&CatalogueIdList=17945,23569,20307,8373&CurrentCatalogueIdIndex=3&FullTextHash=&HasEnglishRecord=True&HasFrenchRecord=True&HasSpanishRecord=True [https://perma.cc/DYP4-AP5B].

This limitation to U.S. citizenship and U.S.-based permanent residents for patent practitioners may have been intended to address national security concerns that arose in national defense patent applications for which a patent foreign filing license (“FFL”), a type of export license, might be required.⁴³ If so, the current rules are an imprecise substitute for the already vague controls regulating national security technology involved in FFLs. These rules make it exceedingly difficult to determine where to first file a patent application involving co-inventors from the United States and China.⁴⁴ Furthermore, the United States is increasingly controlling disclosure of technology to a citizen or permanent resident wherever they may be located based on the type of technology⁴⁵ or the identity of the end-user.⁴⁶ These developments over time may make citizenship and permanent residency more irrelevant to current export control rules, although there is no indication that USPTO intends to change nationality requirements for admission to the patent bar.

USPTO practice also permits pro se applications by U.S. domestic applicants.⁴⁷ Previously pro se applications were permitted by overseas individual applicants. However, changes to this rule were made in response to a flood of overseas applicants, mostly from China, who fraudulently claimed pro se status.⁴⁸ The adoption of the Domestic Counsel rule did not eliminate fraudulent applications, but instead has inserted U.S. lawyers more directly into the fraudulent submission

43. 35 U.S.C. § 184.

44. Mark A. Cohen and Philip Rogers, *When Sino-American Struggle Disrupts the Supply Chain: Licensing Intellectual Property in a Changing Trade Environment* (Dec. 17, 2021), republished in 20 WORLD TRADE REVIEW, Special Issue 2: Economic Statecraft and Global Trade in the 21st Century 238-57 (May 2021).

45. See, e.g., Export Administration Regulations, § 734.5 (regulating “Specific activities of ‘U.S. persons,’ wherever located, related to the proliferation of nuclear explosive devices, ‘missiles,’ chemical or biological weapons, whole plants for chemical weapons precursors, and certain military intelligence end uses and end users.”).

46. Implementation of Additional Export Controls: Certain Advanced Computing and Semiconductor Manufacturing Items; Supercomputer and Semiconductor End Use; Entity List Modification, 87 FED. REG. 62186, 61287 (Oct. 13, 2022) (“‘support’ by ‘U.S. persons’ related to the provision of items used to produce the most advanced semiconductors necessary for military programs of concern, such as missile programs or programs related to nuclear explosive devices, requires a license, even when the precise end use of such items cannot be determined by the ‘U.S. person.’”), and 61291–92 (regarding entity list).

47. 35 U.S.C. § 111; MANUAL OF PATENT EXAMINING PROCEDURE § 605.01. Pro se representation is also authorized under the Copyright Alternative in Small-Claims Enforcement Act of 2020, 17 U.S.C. §§ 1501-1511. Recent regulations concerning attorneys appearing before the Copyright Claims Board, while not a focus of this article, offers another point of comparison with USPTO disciplinary procedures. Copyright Claims Board: Initiating of Proceedings and Related Procedures, 87 Fed Reg. 1698 (Mar. 25, 2022).

48. 37 C.F.R. §§ 2.11, 11.14(e).

process. The USPTO has continued to cope with non-authorized overseas individuals and firms who provide trademark services to overseas companies for submission to the USPTO, many of whom have submitted fraudulent specimens of use to support their applications.⁴⁹ Under U.S. law, these overseas individuals engaged in the unauthorized practice of law (“UPL”). These firms have often been forced to engage U.S. lawyers for the nominal purposes of satisfying the domestic counsel rule; sometimes they have used the name of a lawyer without his/her permission or even designated a deceased attorney. They continue to engage in fraudulent conduct using the U.S. lawyer’s name or position, thereby precipitating disciplinary actions against domestic counsel in addition to the UPL charge against the foreign firm and claims involving other fraudulent activity.

B. How Disciplinary Authority is Exercised By USPTO

Disciplinary authority by the USPTO is exerted in two primary ways: through OED and through the Commissioner of Trademarks or Commissioner of Patents for matters pending before them.

The Office of the Commissioner of Trademarks functions in a similar manner to a court or tribunal in imposing sanctions or recommending that OED undertake disciplinary actions against a member of the USPTO bar. OED acts similarly to a state bar in conducting disciplinary proceedings.⁵⁰ One notable exception is that OED utilizes a “Committee on Discipline,” which consists of three non-OED attorneys employed by the USPTO. This committee decides whether there is probable cause to bring charges against a practitioner.⁵¹ The USPTO’s exclusive use of internal staff with no lay or public members is unique among those bars that have disciplinary committees that decide whether to initiate disciplinary proceedings. New York State and Washington, D.C.’s grievance and discipline committee, for example, are composed of both attorneys and non-attorneys, working with a court-appointed, state financed, full-time professional staff.⁵² The use of internal staff rather than lay users of the

49. 15 U.S.C. § 1051.

50. U.S. Pat. & Trademark Off., *Administrative Sanctions Process*, <https://www.uspto.gov/trademarks/protect/administrative-sanctions-process> [https://perma.cc/G5D9-CU6Q].

51. 37 C.F.R. § 11.23.

52. *Guide to Attorney Discipline*, N.Y. STATE BAR ASS’N, <https://nysba.org/public-resources/guide-to-attorney-discipline/> [https://perma.cc/PQ8Q-4VS7] (last viewed Dec. 26, 2022); RULES GOVERNING THE DISTRICT OF COLUMBIA BAR R. XI.4(B)2, <https://www.dcbbar.org/about/who-we-are/rules-and-bylaws/rules-governing-the-district-of-columbia-bar/rule-xi-disciplinary-proceedings> [https://perma.cc/S6FR-JPNQ].

patent and trademark system may also contribute to a focus that is more oriented to the efficient operations of the USPTO than other policy goals such as protecting clients' reasonable expectations of ethical conduct by practitioners.

OED's ethical rules are modeled on the Model Rules of Professional Responsibility of the American Bar Association (the "Model Rules"), with some significant modifications, including on key issues that are implicated in the current campaign, such as confidentiality of attorney-client communications, and choice of law.⁵³ OED public decisions are easily accessible through the USPTO "FOIA Documents" website.⁵⁴ OED also makes a searchable list of registered patent practitioners available to the public. The Office of the Trademark Commissioner also makes its decisions available through its own website.⁵⁵ The websites provide excellent overviews of disciplinary activity involving China over the past several years. However, the websites generally do not include private reprimands, nor do they necessarily reflect all confidential decisions, including documents that are exempt from production under the Freedom of Information Act. These policies enable observers to understand how disciplinary actions are undertaken, but also make it difficult to draw comprehensive statistical conclusions from viewing the USPTO disciplinary decisions. Unlike China, USPTO also does not routinely provide empirical summaries of its work during its current campaign.

Among the important gaps in understanding the effectiveness of OED actions, OED does not publish data on the extent to which state or foreign bars have disciplined their members in response to OED disciplinary proceedings. This data, when available, needs to be obtained directly from the relevant state or foreign bars. There is also no published OED decision involving a referral to the Chinese bar or the relevant IP disciplinary authorities of China.⁵⁶

Recent OED discipline cases involving fraudulent trademark applications from China have been based on such claims as a failure to provide competent representation by: permitting an overseas applicant to

53. For a comparison of USPTO ethics rules with state bar rules see Jon Lee, *supra* note 14, at 1646.

54. U.S. Pat. & Trademark Off., *FOIA Documents*, <https://foiadocuments.uspto.gov/oed/> [https://perma.cc/86NF-XJHS].

55. U.S. Pat. & Trademark Off., *Orders issued by the Commissioner for Trademarks*, <https://www.uspto.gov/trademarks/trademark-updates-and-announcements/orders-issued-commissioner-trademarks> [https://perma.cc/FQ3A-K838] (last visited Dec. 21, 2022).

56. 37 C.F.R. § 11.804(d); See, e.g., In the Matter of Kathy W. Hao, Dec. Comm'r Pat., Proceeding No. D2021-14 (2022), [https://foiadocuments.uspto.gov/oed/Final-Order-\(Hao\)-\(D2021-14\).pdf](https://foiadocuments.uspto.gov/oed/Final-Order-(Hao)-(D2021-14).pdf) [https://perma.cc/WQ2B-W6T8].

use the practitioner's name in prosecution trademark applications,⁵⁷ making false statements of fact or law through such delegated signature authority,⁵⁸ assisting another in practicing law in a jurisdiction in violation of the legal profession in that jurisdiction,⁵⁹ and engaging in conduct prejudicial to the administration of justice.⁶⁰

Transparency issues are of greater concern in China than in the United States. Disciplinary decisions are typically issued in the name of local branches of the State Administration for Market Regulation ("SAMR"), which has been the parent agency of CNIPA.⁶¹ They are not officially collected in one location. One for-profit data aggregator does publish disciplinary cases that are searchable on a labor law database.⁶² To date, the number of actual disciplinary cases that are available appears to be far less than the actual decisions reported by CNIPA in its various press releases. Recent cases brought by SAMR against trademark agents and firms with the greatest overlap with USPTO disciplinary actions are claims involving malicious trademark registration, underpricing of other trademark agencies, supplying of falsified trademark application materials, and the unauthorized practice of trademark law, including the creation of "zombie" trademark firms⁶³ which are not engaged in licensed operations.

If, however, a Chinese disciplinary action involves a punishment using the social credit system, that may also be publicly accessible.⁶⁴ As described by Professors Milhaupt and Lin, the social credit system is:

57. 37 C.F.R. § 11.101.

58. 37 C.F.R. § 11.303(a)(1).

59. 37 C.F.R. § 11.505.

60. 37 C.F.R. § 11.804(d); *See, e.g.*, In the Matter of Kathy W. Hao, Dec. Comm'r Pat. Proceeding No. D2021-14 (2022), [https://foiadocuments.uspto.gov/oed/Final-Order-\(Hao\)-\(D2021-14\).pdf](https://foiadocuments.uspto.gov/oed/Final-Order-(Hao)-(D2021-14).pdf) [<https://perma.cc/WQ2B-W6T8>].

61. On March 10, 2023, the National People's Congress approved the State Council Institutional Reform Plan, which elevated CNIPA to an agency that directly reports to the State Council and is no longer subordinate to SAMR. The impact of the reforms on the local campaigns managed by local divisions of SAMR is not yet clear. *See A Guide to 2023 China's State Council Restructuring*, NPC OBSERVER <https://npcobserver.com/2023/03/07/china-npc-2023-state-council-reorganization/> [<https://perma.cc/LT4R-8EBA>].

62. China HR Reference, WOLTERS KLUWER HONG KONG LIMITED (Dec. 18, 2022), <https://hr.wkinfo.com.cn/> [<https://perma.cc/AY8T-ZWZ3>] [hereinafter "Wolters Kluwer Database"].

63. *See* implementing regulations of the Trademark Modernization Act, which provide that the USPTO will not recognize an attorney who has been "mistakenly, falsely, or fraudulently designated." Changes To Implement Provisions of the Trademark Modernization Act of 2020, 86 FED. REG. 64300 (Nov. 17, 2021).

64. The following sanction was reported to the social credit system for registration of the name of the Chinese-U.S. Olympian, Eileen Gu: Beijing shi jian chu fa (京市监处罚), no. 181□ 2022□ 181号, [*Beijing Administration for Market Regulation Punishment No. 181*], CREDIT CHINA, <https://www.creditchina.gov.cn/xinyongxinxixiangqing/xyDetail.html?searchState=1>

[L]inked to a system of rewards and punishments for compliant and non-compliant firms. It was originally conceived as a self-enforcing mechanism to discipline market behavior in the absence of a functional legal system in the period of economic transition; today the CSCS represents a futuristic strategy of automated screening to determine which enterprises are allowed market access and benefits.⁶⁵

CNIPA first proposed using the social credit system to address malicious trademark activity in its March 15, 2021, rules regarding malicious trademark squatting (the “March 2021 Rules”).⁶⁶ CNIPA enacted comprehensive rules to better integrate its enforcement efforts in the Blue Sky Campaign in March 2022 (the “March 2022 Rules”).⁶⁷ The March 2022 Rules required that “credit evaluation and scoring management rules” would be strictly implemented for malicious trademark agencies (Sec. 3), and also required that “All localities strictly implement the relevant credit joint punishment regulations” (Sec. 5). The goal is to establish that once an agency is untrustworthy, it is “limited everywhere.” (Sec. 5). Contemplated changes to China’s trademark law mandate further use of the social credit system to track untrustworthy agencies or practitioners, including requiring that trademark agencies maintain good social credit (Art. 69), social credit listings for submission

&entityType=1&keyword=%E9%98%BF%E9%87%8C%E5%B7%B4%E5%B7%B4%E7%A7%91%E6%8A%80(%E5%8C%97%E4%BA%AC)%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8&uid=cfe42bc2fbca8834bdf623adb6345f3&tyshxydm=91110105783951338G [https://perma.cc/EVB5-WN7F].

65. See Lauren Yu-Hsin Lin and Curtis J. Milhaupt, *China’s Corporate Social Credit System: The Dawn of Surveillance State Capitalism?*, EUROPEAN CORP. GOVERNANCE INST., LAW Working Paper No. 610, at 1 (forthcoming 2021), <https://deliverypdf.ssm.com/delivery.php?ID=403118115089091086011018079094109018098035091034011074117083031026114023126074085028033027032044109027040110081088000064089120103082007012011095097007000112105077050019013124088102084103026089103120095083099120004079074064008077075103012021071072091&EXT=pdf&INDEX=TRUE> [https://perma.cc/42WN-UENK] [hereinafter “China’s Corporate Social Credit System”].

66. Guo jia zhi shi chan quan ju guan yu yin fa “da ji shang biao e yi qiang zhu xing wei zhuan xiang xing dong fang an” de tong zhi (国家知识产权局关于印发《打击商标恶意抢注行为专项行动方案》的通知) [Notice by the National Intellectual Property Administration of Issuing the Special Action Plan for Cracking down on Malicious Trademark Squatting], CNIPA, Letter No. 35 at Sec. 3.4 (Mar. 15, 2021), https://sbj.cnipa.gov.cn/sbj/tzgg/202103/t20210324_5589.html [https://perma.cc/FG99-3D3P].

67. Guo jia zhi shi chan quan ju guan yu chi xu shen hua zhi shi chan quan dai li hang ye “Lantian” zhuan xiang zheng zhi xing dong de tong zhi (国家知识产权局关于持续深化知识产权代理行业“蓝天”专项整治行动的通知) [Notice of the State Intellectual Property Office on Continuously Deepening the “Blue Sky” Special Rectification Action of the Intellectual Property Agency Industry], CNIPA (Mar. 31, 2022), Guozhi Fa [2022] No. 46, https://www.cnipa.gov.cn/art/2022/3/31/art_75_174340.html [https://perma.cc/CS7Q-ALUV].

of falsified documents (Art. 86), and social credit listings for other violations of the trademark law (Art. 87).

While the social credit system can provide an additional level of deterrence and punishment, the use of the social credit system has also been shown to invite abuse by companies or entities that are well-connected to the state.⁶⁸ The 2022 Section 301 Report prepared by the Office of the United States Trade Representative (“USTR”) has noted that the social credit system is used to address “abnormal patent applications” and “maliciously submitted trademark applications.” USTR, however, has criticized the social credit system for its lack of procedural transparency, including “notice to the targeted entity, clear factors for determinations, and opportunities for appeal.”⁶⁹

C. USPTO’s International Disciplinary Role

If USPTO were to commit the necessary time and resources, it would be well equipped to pursue international cases. Today’s USPTO is one of the most internationally facing agencies in the U.S. government, with regular bilateral, plurilateral, and multilateral meetings with other patent and trademark offices, including China. It has a multilingual and diverse staff of patent and trademark examiners. Its Office of Policy and International Affairs engages in international IP policy globally, with over 200 staff members. USPTO also has IP Attachés placed in U.S. embassies throughout the world who can assist in this effort and have already made some contributions to problems involving trademark fraud originating from China. Through bilateral, plurilateral, and multilateral engagement with China at venues such as the WTO, WIPO, and the TM-5 (consisting of the five largest trademark agencies in the world) as well as in trade negotiations, the United States and China contribute to and benefit from an internationally networked and relatively harmonized environment for trademark prosecution and protection.

The China team, which I led for several years, was the largest legal team of any type in the U.S. mission to China, with a presence in three Chinese cities (Beijing, Shanghai and Guangzhou). In total, it had a team of over 20 people, including team members at USPTO headquarters in Alexandria, Virginia. Many members of the team are bilingual. Some passed the Chinese bar and are admitted in both the United States and

68. China’s Corporate Social Credit System at p. 12.

69. OFF. OF THE U.S. TRADE REPRESENTATIVE, 2022 SPECIAL 301 REPORT, at 50, <https://ustr.gov/sites/default/files/IssueAreas/IP/2022%20Special%20301%20Report.pdf> [<https://perma.cc/S2HF-XYCG>].

China. During my tenure, the team had approximately 200 person-years of collective experience in Chinese IP matters. With these extensive resources, OED has the mechanisms to coordinate its actions with other IP Practitioner disciplinary authorities throughout the world, to understand potential areas of conflict with practitioners throughout the world, and to advocate for those who are registered before it in securing greater market access in foreign countries.

USPTO's reasons for engaging with foreign patent offices on U.S. patent and trademark filings are also not limited to its needs to address fraud and other unethical activity. USPTO's actions also deeply affect foreign practitioners, whether or not they are registered before the USPTO. USPTO today is dominated by foreign patent applications. In 2020, foreign patent applications (including requests for continued examination) constituted 17% more than domestic patent applications. There is also a significant minority of trademark applications originating from foreign countries, which constitute about 2/3 of the domestic trademark applications. Chinese filings at USPTO also constitute an important part of the Chinese overseas filing docket. Chinese attorneys and other advisors are helping China companies strategize their overseas IP filing strategies; OED should reach out to make sure those filings are conducted in a legal manner.

Despite its international orientation, USPTO lacks a choice of law rule on ethics matters that is comparable to the ABA Model Rule 8.5(b)2. The Model Rule imposes ethical standards for a lawyer based on the "reasonable expectations" that her conduct conforms to the rules of a jurisdiction in which she "reasonably believes the predominant effect of the lawyer's conduct will occur." The Model Rule also provides for disciplinary jurisdiction over "conduct" in connection with a "matter pending before a tribunal."

USPTO instead applies its own ethics rules globally based on its definition of when an individual is "practicing before the office." Such "practice" includes "communicating with and advising a client concerning matters pending or contemplated to be presented before the Office."⁷⁰ By including "contemplated" actions rather than being limited to actual "conduct" USPTO asserts jurisdiction over the actions of domestic and foreign practitioners as well as those without credentials, and without regard to their actual conduct at USPTO. Contemplated practice before

70. 37 C.F.R. 11.5(b).

the office creates an additional jurisdictional hook over overseas actors.⁷¹ Unlike the safe harbor of the existing Model Rules, any reasonable expectations of foreign practitioners that their actions in developing global IP strategies for a client might be governed by local law, such as might have been afforded by Rule 8.5(b)2, are not available to those who practice before the USPTO.⁷²

The word “contemplate” does not appear in the Model Rules. “Contemplation” extends USPTO’s jurisdiction to those who think about filing at USPTO, whether or not their actions are manifested by any conduct. Black’s Law Dictionary defines “contemplate” as:

[t]o view or consider with continued attention; to regard thoughtfully; to have in view as contingent or probable as an end or intention. To ponder, to study, to plan, to meditate, to reflect.⁷³

An example of the application of the “contemplation” element in practice before the office was the recent case of Roy Yiheng Lou:

Respondents engaged in such . . . [UPL] by counseling and advising clients in contemplation of filing trademark applications and other documents before the USPTO, preparing and prosecuting applications for U.S. trademark registrations, preparing and submitting arguments and amendments in trademark matters before the USPTO, and communicating directly with the USPTO on behalf of others.⁷⁴

Critics of OED, including those who provide support services for trademark applications, may argue that the line between practice of law before the USPTO and providing general advice on trademark law is unclear.⁷⁵ In an international context, the overreach by USPTO also raises troubling conflicts of law concerns. Generally, choice of law rules accommodate, where possible, the needs of the interstate and international

71. UPL is also often punished as a crime under state law. Many state laws also vaguely define UPL. See Derek A. Denckla, *Nonlawyers and the Unauthorized Practice of Law: An Overview of the Legal and Ethical Parameters*, 67 *FORDHAM L. REV.* 2581, 2587 (1999).

72. 37 C.F.R. § 11.5(b).

73. *Contemplate*, EN-ACADEMIC, https://blacks_law.en-academic.com/23948/contemplate [<https://perma.cc/S4DH-VLUS>] (last visited, Dec. 21, 2022).

74. In the Matter of Yiheng Lou, Dec. Comm’r Pat., Proceeding No. D2021-04 (2021), https://foiadocuments.uspto.gov/oed/Lou_Final_Order_D2021-04_Redacted.pdf [<https://perma.cc/LY6W-QZYB>].

75. See *Legalforce Worldwide, P.C. v. DeMassa*, No. 3-18=dv-00043-MMC, 2019 WL 3779472 (N.D. Cal. Aug. 12, 2019) (TM Express’ actions did not constitute UPL when it assisted customers in responding to Office actions received from USPTO, performed comprehensive searches of multiple database to find possible conflicts and similarities with a proposed mark, prepared a report, and referred the matter to an attorney who reviewed the search results; no reference is made to USPTO rules regarding “contemplation” of practice before the office.)

system, relevant policies of the forum, relevant policies of interested states and countries, the protection of justified expectations, and other foreign interests in order to minimize unnecessary conflicts with foreign jurisdictions.⁷⁶ A blanket application of U.S. law throughout the world based solely on what foreign lawyers may be “contemplating” hardly serves the purpose of promoting an integrated and harmonized international IP system, development of global trademark portfolios, or utilization of the USPTO’s services. If this USPTO standard regarding contemplated practice were similarly adopted by all trademark offices in the world, then any advice on a “contemplated” trademark filing from the United States to another country, such as China, could trigger an ethics investigation by that foreign country of United States IP Practitioners.

There are better approaches. One approach would be to abide by federal court notions of prescriptive comity in limiting the reach of its rules, i.e., by interpreting its own rules “to avoid unreasonable interference with the sovereign authority of other nations.”⁷⁷ USPTO might also amend its rules to require actual conduct in the United States in conjunction with “contemplation” to ensure that it was minimizing conflicts with other jurisdictions while preserving its interest in regulating conduct before the USPTO. In conjunction with those efforts, USPTO could also limit its international overreach by applying Rule 8.5 of the Model Rules where no physical conduct before the office is involved.

OED’s upstream reach by ignoring choice of law principles and capturing contemplation of trademark filings has enabled it to prosecute more cases involving cross-border legal issues than any other state bar. Outside of USPTO disciplinary proceedings, I have not located a single published decision by a state bar imposing sanctions on a U.S.-admitted lawyer practicing in China.⁷⁸ In fact, the only published non-USPTO decision that I have located directed to overseas conduct by a licensed lawyer was one involving an American citizen who was practicing in Ireland.⁷⁹ There are, however, numerous cases involving U.S. lawyers

76. RESTATEMENT (SECOND) OF CONFLICTS OF LAWS, § 6 (1971).

77. *F. Hoffmann-La Roche v. Empagran S.A.*, 542 U.S. 155, 164 (2004); William S. Dodge, *International Comity in American Law*, 115 COL. L. REV. 2071 (January 30, 2015).

78. *See, e.g.*, Final Decision of Yiheng Lou, Dec. Comm’r Pat., Proceeding No. D2021-04 (2021), https://foiadocuments.uspto.gov/oed/Lou_Final_Order_D2021-04_Redacted.pdf [<https://perma.cc/624E-5R56>]. Yiheng Lou was admitted in New York but practiced law in the Mainleaf Law Firm in China where he received referrals from a Shenzhen-based company, the Dingji Intellectual Property Company. Mr. Lou was also suspended from practice in New York State. In the Matter of Yiheng Lou, 206 A.D.3d 1221, 1225 (N.Y. Sup. Ct. June 9, 2022). *See* <https://iapps.courts.state.ny.us/attorneyservices/wicket/page/DetailsPage?3-1.-historyPanel-wmcDisciplinaryHistory-disciplinaryHistory-0-CourtDecisionsSearchPage>.

79. *In Re O’Neill*, 276 A.3d 492, 496 (D.C. June 16, 2022).

overseas, dual-admitted lawyers overseas, Chinese lawyers, and consultants on the OED website. Apart from the orders to show cause issued by the Trademark Commissioner, there are also 233 disciplinary actions that are listed on the OED website. Seven of these actions involved non-U.S. practitioners, or about 3% of the total published cases. It is also conceivable that there are foreign lawyers or consultants who have also been implicated in these disciplinary actions but have not been mentioned, or who may be identified in follow-on cases.

D. Referrals and Cooperation with the Overseas Bar

In 2021, USPTO advised the Office of the Inspector General of the Commerce Department on its efforts to enhance the integrity of the trademark register in response to a report *USPTO Should Improve Controls over Examination of Trademark Filings to Enhance the Integrity of the Trademark Register* (the “OIG Report”).⁸⁰ USPTO reported that it was difficult to work with foreign disciplinary agencies. OED’s published cases do not report on those difficulties, as they typically do not report on referrals to foreign bars that may occur after a disciplinary order is issued. In many instances, USPTO’s case decisions, by failing to include Chinese or foreign names of respondents or law firms, as well as other identifying information such as enterprise business licenses, make it difficult to trace overseas respondents or the relationships with foreign law firms and consultancies. In some cases, this information is searchable on foreign bar websites, or through diplomatic channels.⁸¹

We did locate two cases, involving Yiheng Lou and Weibo Zhang, where Respondents may have been dual-admitted attorneys (U.S. and China). There is no reference on the disciplinary record to whether these two attorneys were in good standing in China.

In the case of Yiheng Lou, his LinkedIn page and his disciplinary proceedings reveal that this U.S.-admitted lawyer had received both a J.D. and LL.M. from a U.S. law school and that he had been a member in good standing of the New York Bar since 2014. He was practicing in a Chinese law firm as an “Attorney at Law.” At the time of the disciplinary action,

80. U.S. DEP’T OF COM., OFF. OF INSPECTOR GEN., OFF. OF AUDIT AND EVALUATION, USPTO SHOULD IMPROVE CONTROLS OVER EXAMINATION OF TRADEMARK FILINGS TO ENHANCE THE INTEGRITY OF THE TRADEMARK REGISTER, FINAL REPORT NO. OIG-21-033-A, 1 (AUG 11, 2021) [hereafter OIG REPORT]

81. See, e.g., *Find a Barrister*, SOUTH WALES BAR ASSOCIATION, <https://find-a-barrister.nswbar.asn.au/> [https://perma.cc/LF7M-BDUC]; *The Law List of the Law Society of Hong Kong*, THE LAW SOCIETY OF HONG KONG, <https://www.hklawsoc.org.hk/en/Serve-the-Public/List-of-Legal-Service-Providers> [https://perma.cc/RV24-GC6C].

he was practicing in Beijing with the “Mainleaf law Group.” He is still listed on the firm’s website as a Beijing resident attorney.⁸² He holds a law degree from Minzu University (also known as Nationalities University) in China and was formerly a legal intern at the Supreme People’s Court of China (“SPC”). As a China-based attorney practicing in a Chinese law firm, he was also thereby made subject to Chinese legal ethics rules.⁸³

Weibo Zhang is also an attorney who has practiced in China. He graduated from the prestigious Southwestern University of Politics and Law, which is well known in China for the many judges who are among its graduates.⁸⁴ He had been a lawyer with the Global Law Office in China, although his name is not currently listed on its website.⁸⁵

Mr. Lou was suspended from practice before the New York bar because of the USPTO disciplinary proceedings.⁸⁶ Thus far, throughout his suspension, Zhang remained in good standing before the New York State Bar.⁸⁷ The order granting his reinstatement to practice before the USPTO does not discuss whether New York State imposed any reciprocal discipline. Weibo Zhang was reinstated after a 90-day suspension from “practice before the office” by USPTO after having filed over 18,000 trademark applications. Weibo Zhang is also admitted in New York and, as with many other trademark attorneys disciplined by USPTO, has not as of this writing been subjected to reciprocal disciplinary measures.⁸⁸

Information about dual admissions can be critical to judging whether attorneys being disciplined encountered conflicts of interest in prosecuting trademarks at the USPTO. One such conflict is the obligation to uphold the Chinese Constitution, which “makes obeying the

82. *Beijing Zongheng Law Firm US Office Lawyer Team*, BEIJING ZONGHENG LAW FIRM US OFFICE, <http://www.mainleaf-law.com/team/308.html> [<https://perma.cc/M4RY-SBZP>] (last viewed Feb. 4, 2023).

83. Yiheng Roy Lou, LINKEDIN (December 12, 2022), <https://www.linkedin.com/in/yiheng-roy-lou-78831646/> [<https://perma.cc/X5XU-4QJT>]; Bei an dai li ji gou ming dan (备案代理机构名单) [*List of law firms and companies registered as trademark agency*], CNIPA, https://wssq.sbj.cnipa.gov.cn:9443/tmsve/agentInfo_getAgentDljg.xhtml [<https://perma.cc/CJT8-RFCH>] (last visited Dec. 19, 2022) [hereinafter *China Trademark Agency List*].

84. Weibo Zhang, LINKEDIN (Dec. 19, 2022, 8:47 PM), <https://www.linkedin.com/in/weibo-zhang-75b34b67/?originalSubdomain=cn>.

85. GLOBAL LAW OFFICE (环球律师事务所), <http://www.glo.com.cn/en/> (last visited December 3, 2022) [<https://perma.cc/7MUP-XL6P>].

86. *In the Matter of Yiheng Lou*, 206 A.D.3d 1221 (N.Y. Sup Ct. June 9, 2022).

87. *Attorney lookup New York*, NEW YORK STATE, <https://www.data.ny.gov/Transparency/attorney-lookup-new-york/2ea2-qc7r/data> [<https://perma.cc/T6DX-JA6P>] (last visited Dec. 21, 2022).

88. *See* Appendix 1.

Communist Party of China (“the Party”) a fundamental principle.”⁸⁹ Currently, the Communist Party has explicit goals of increasing overseas trademark filings.⁹⁰ Absent further information, it is difficult to determine if dual-admitted lawyers have been under pressure by the party or government to file large numbers of Chinese trademarks at USPTO to support national goals.⁹¹

ABA Model Rule 3.3 requires that a lawyer not “offer evidence that the lawyer knows to be false” and that if “the lawyer comes to know of its falsity, the lawyer shall take reasonable remedial measures, including, if necessary, disclosure to the tribunal.” The USPTO has an additional rule 3.3(e) which requires that “In a proceeding before the Office, a practitioner shall disclose to the Office information necessary to comply with applicable duty of disclosure provisions.” This provision requires that a USPTO Practitioner actively disclose any knowledge of fraud, including information which suggests a “prima facie” case of ineligibility regarding the application.⁹²

One ethical dilemma that could arise involves conditions imposed upon disciplined attorneys to identify client or overseas agent fraud in their previously filed applications, such as was the case with Weibo Zhang. OED decisions do not discuss either those ethical dilemmas or any consent he may have obtained from the client in determining which trademark applications were based on fraudulent specimens of use.⁹³ China-admitted attorneys, while lacking in notions of attorney-client privilege, generally are required to keep confidences of their client, except when the client is carrying out crimes.⁹⁴ Issues involving conflicting

89. Chenglin Liu, *Risks Faced by Foreign Lawyers in China*, 35 ARIZ. J. OF COMPAR. & INT’L L. 131, 136 (2018).

90. Zhong gong zhong yang guo wu yuan yin fa “zhi shi chan quan qiang guo jian she gang yao (2021-2035)” (中共中央国务院印发《知识产权强国建设纲要（2021—2035年）》) [Outline for a Strong IP Economy 2021-2035] CENT. COMM. OF THE COMMUNIST PARTY OF CHINA AND STATE COUNCIL (Sept. 22, 2021), http://www.gov.cn/zhengce/2021-09/22/content_5638714.htm [<https://perma.cc/EP4A-B4HL>].

91. Chenglin Liu, *supra* note 89.

92. 37 C.F.R. § 1.56.

93. In the matter of Weibo Zhang, Dec. Comm’r Pat., Proceeding No. D2022-16 (2022), [https://foiadocuments.uspto.gov/oed/Zhang-Final-Order-\(D2022-16\)_Redacted.pdf?_gl=1*12iqmu7*_ga*MjAwNTQzNzcyOC4xNjY2ODIwNTcy*_ga_15XXLBN3V5*MTY2OTU1NTA5MC4yLjEuMTY2OTU1NTgzNC4wLjAuMA](https://foiadocuments.uspto.gov/oed/Zhang-Final-Order-(D2022-16)_Redacted.pdf?_gl=1*12iqmu7*_ga*MjAwNTQzNzcyOC4xNjY2ODIwNTcy*_ga_15XXLBN3V5*MTY2OTU1NTA5MC4yLjEuMTY2OTU1NTgzNC4wLjAuMA) [<https://perma.cc/CV97-YP37>]. Mr. Zhang is a currently registered attorney in N.Y. See *New York State Registered Attorneys Weibo Zhang*, OPENGOVNY, <https://opengovny.com/attorney/5690201> [<https://perma.cc/K585-8B2J>].

94. Art 38 of the Lawyers Law (2017) states that “Lawyers shall keep state secrets and commercial secrets learned in practice activities and shall not divulge the privacy of clients. Lawyers shall keep confidential the relevant circumstances and information that clients and others do not want

obligations regarding secrecy of client communications have also been the subject of several U.S. court decisions in cases that did not involve the USPTO. Courts have generally found in favor of disclosure in accordance with the rules of the U.S. forum. The “crime-fraud” exception to attorney-client privilege might similarly require disclosure of attorney-client confidential information.⁹⁵ However, if the USPTO seeks to invoke the crime-fraud exception, it bears the burden of demonstrating that the exception is applicable.⁹⁶ A similar analysis would be helpful in protecting a dual-admitted attorney from further disciplinary action in another country having jurisdiction over his behavior.⁹⁷

In addition to OED, the Office of the Trademark Commissioner can also impose sanctions related to matters which it discovers, during examination of a trademark application, on delegated authority from the Director of the USPTO, that an application (1) appears to violate the USPTO rules and/or the USPTO website’s Terms of Use, and (2) is part of an improper filing scheme.⁹⁸ Disciplinary actions will affect both attorneys and their clients as well as any third parties who may be engaged in the unauthorized practice of law.⁹⁹ The TMA expanded USPTO’s authority to deal with fraudulent trademark applications through expungement of trademarks and *ex parte* proceedings involving fraudulent behaviors. The Commissioner may also refer the matter on to OED to discipline the IP practitioners of concern.¹⁰⁰ Such authority is analogous to the sanctioning authority of a judge in matters being heard by it.

to divulge that they learn during practicing activities. Exceptions are when the client or other persons are preparing or carrying out crimes and information that endanger national security, public safety, or seriously endanger the personal safety of others.” (律师应当保守在执业活动中知悉的国家秘密、商业秘密，不得泄露当事人的隐私。律师对在执业活动中知悉的委托人和其他人不愿泄露的有关情况和资讯，应当予以保密。但是，委托人或者其他准备或者正在实施危害国家安全、公共安全以及严重危害他人人身安全的犯罪事实和资讯除外。).

95. *Glob. Tubing v. Tenaris Coiled Tubes*, No. 4:17-CV-3299 2021 WL 1169322 (S.D. Tex. Mar. 26, 2021).

96. *Chevron v. Uhl, Baron, Rana & Assoc.*, 633 F.3d 133, 166 (3rd Cir. 2011).

97. *See, e.g., Tiffany (NJ)C v. Qi Andrew*, 276 F.R.D. 143 (S.D.N.Y. 2011); *Gucci Am. v. Weixing Li*, No. 10 Civ. 4974, 2011 WL 6156936 (S.D.N.Y. Aug. 23, 2011); *Wultz v. Bank of China*, 979 F.Supp.2d 479 (S.D.N.Y. 2013); *Vringo. v. ZTE* 14-cv-4988 (LAK) (FM) 15-cv-0986 (LAK) (FM) (Aug. 11, 2015), <https://casetext.com/case/vringo-inc-v-zte-corp-1> [<https://perma.cc/SM5C-S69J>].

98. Trademark Administrative Sanctions Process, 87 Fed. Reg. 431, 431-32 (Jan. 5, 2022).

99. Proposed Trademark Law, Art. 78 (“Public Interest Litigation Against Trademark infringement”).

100. *Lee, supra* note 14. Prof. Lee does not discuss the absence of a counterpart to Rule 8.5 in the USPTO rules.

As described by Prof. Martin Dimitrov in his book *Piracy and the State*,¹⁰¹ IP-related campaigns in China are typically of short-term duration, are managed by an administrative agency or an interagency coordinating group, produce short-term results, and often involve “non-rationalized” enforcement mechanisms which involve multiple agencies that may shirk responsibility onto other agencies. By these standards, China’s IP disciplinary actions are only partly rationalized. China’s nationally led Blue Sky Campaign is enforced by local branches of the Administration for Market Regulation (“AMR”) under CNIPA. Significant factors limiting the effect of these efforts have been the lack of transparency in enforcement decisions, delegation of disciplinary authority to local AMRs which may have previously offered incentives for filing the trademarks, unclear role for the courts, general lack of judicial oversight, and lack of formal cooperation with USPTO. CNIPA also appears reluctant to suspend or prohibit trademark agencies from continuing their practice and has imposed non-deterrent fines. A failure to comply with a disciplinary decision, however, may be supported through measures taken by SAMR pursuant to China’s pervasive social credit system. In addition, recent proposals for amending China’s trademark law would authorize China’s state prosecutor to bring cases. However, a continuing lack of full administrative transparency hampers the ability to fully assess the Blue Sky Campaign’s achievements.

The reaction from industry towards this disciplinary campaign has been “mildly optimistic.” A 2021 report of the International Trademark Association, which looked at the additional remedies available in addressing bad faith trademarks from the revised Trademark Law (2019), noted: “The amendment of the PRC Trademark Law regarding the regulation of trademark agencies was necessary. The post-amendment feedback has been positive, which reflects that the amendment is and will be beneficial to trademark applicants and registrants.” A key question remains regarding “to what lengths the supervisory authorities including local AMRs would go to regulate trademark agencies.”¹⁰²

An alternative view of the role of campaign-style enforcement has been offered by Prof. Angela Zhang, who notes that “policy volatility in China has its roots in the revolutionary past of the CCCP, when it adopted

101. DIMITROV, *supra* note 18.

102. Int’l Trademark Ass’n, REPORT ON THE IMPLEMENTATION OF CHINA’S AMENDED TRADEMARK LAW, at 22 (2021), https://www.inta.org/wp-content/uploads/public-files/advocacy/committee-reports/CHINA-TRADEMARK-LAW-REPORT_120121.pdf [https://perma.cc/2274-9MR5].

a guerilla policy style and adaptive governance.”¹⁰³ Prof. Zhang, in evaluating current regulation of China’s platform economy, places a great emphasis on the hierarchical nature of China’s bureaucracy and the flexibility of bureaucratic responsiveness to those pressures. She notes that China’s regulatory accountability departs from a “western norm of regulation which places a greater emphasis on agency accountability, legal consistency, and due process.”¹⁰⁴ Prof. Zhang properly considers the role of enforcement campaigns in China’s political-legal development. However, her analysis may have greater relevance to short-term, politically driven regulatory campaigns in areas of the law, such as Prof. Zhang’s own specialty of antitrust, which are less internationally harmonized, less dependent upon routine interagency coordination, and are less restricted by well-understood legal rules, than a trademark attorney disciplinary campaign. CNIPA’s parallel enforcement efforts to USPTO’s own campaign efforts also raise important questions concerning the role of disciplinary efforts in addressing fraudulent behavior that corrupts IP markets, burdens IP agencies, and can impede the practice of IP law. These are shared concerns of IP offices around the world and cannot easily be reduced to China’s own history of “guerilla policy style.”

As discussed in further detail below, Chinese courts are also beginning to explore supporting civil claims due to these fraudulent filing activities. CNIPA, like USPTO, has also taken steps to invalidate or expunge fraudulent filings previously made as part of disciplinary action, and to use China’s social credit system to impose meaningful sanctions on business operations of sanctioned individuals or entities. The availability of complementary enforcement actions by sister agencies could also help assist in deterring fraudulent filings.

With an historically small number of disciplined IP Practitioners attorneys or agents, it may seem odd to call the current USPTO effort a “campaign.” Yet it has many of the hallmarks of a Chinese IP campaign. USPTO (like China) has brought significant resources to bear on the problem of fraudulent trademark filings. USPTO also made significant efforts to change laws and regulations. USPTO’s national campaign also appears somewhat less “rationalized” than China’s in its disciplinary efforts. State disciplinary authorities’ decisions to impose reciprocal disciplinary measures are not well tracked and may not always be

103. Angela Zhang, *Agility over Stability: China’s Great Reversal in Regulating the Platform Economy*, 63 HARV. INT’L. L. J. (2022), (forthcoming 2022) citing Sebastian Heilmann and Elizabeth Perry, MAO’S INVISIBLE HAND: THE POLITICAL FOUNDATIONS OF ADAPTIVE GOVERNANCE IN CHINA 11–12 (2011).

104. *Id.* at 12.

implemented,¹⁰⁵ foreign bar cooperation is necessary for comprehensive up-stream enforcement, and civil or other non-administrative remedies are expensive and rarely used. Furthermore, the principal focus of USPTO's activities continues to be the operations of the office, including the impact on the trademark register rather than reducing the impact of fraudulent trademarks in the market. As an administrative agency in charge of market regulation, SAMR may be better suited to addressing market impacts than USPTO. USPTO's Committee on Discipline also relies solely on USPTO's own lawyers without representation from the regulated bar or the public. This may naturally result in a preference for remedies that address the office's challenges rather than the impacts on clients or regulated practitioners. There is also no coherence to USPTO's positions requiring U.S. citizenship, permanent residency, a bar admission without U.S. legal training or U.S. residency, or reciprocity with state bars with no reciprocity with foreign bars. This uncertain international dimension also weakens the impact of USPTO's efforts to address foreign-originating fraudulent activities.¹⁰⁶ USPTO, however, does rank very well in the transparency of its decisions. The continuing challenges of fraudulent applications will likely necessitate continued experimentation by USPTO and may also need to include cooperation with foreign bars and foreign IP offices, as well as changes in USPTO practices, to reduce economic incentives to fraudulent filings.

E. The Taxonomy of Chinese IP Practitioners

In China, the following regulated professions exist: (a) trademark lawyers and trademark agents; and (b) patent lawyers and patent agents. As in the United States, attorneys are also subject to a code of ethics. Discipline over attorneys is governed by the Ministry of Justice ("MoJ") and the All-China Lawyers Association ("ACLA"), a mandatory bar association. Discipline also extends to the IP Practitioner's firm, and not merely the offending agent. This approach of collective disciplinary responsibility is maintained in the proposed Trademark Law.¹⁰⁷

105. See Appendix 1.

106. New York State, for example, does not require admission based on attending a U.S. law school and will accept credentials from a foreign common law program that is substantially equivalent to the U.S. law curriculum, thus creating a pathway to practice before the USPTO. Practitioners admitted to the USPTO through this route may have had little opportunity to study USPTO ethics rules. See N.Y. Jud. Law § 520.622 NYCRR 520.

107. Proposed Trademark Law, Art. 68 ("Trademark Agency"), Art. 69 ("Obligation of Trademark Agencies"), Art. 70 ("Trademark Agency Industry Organization").

Chinese lawyers serve as trademark lawyers upon being registered by the CNIPA through a cooperative procedure with the ACLA.¹⁰⁸ Disciplinary procedures are provided by the ACLA. In the event, however, that an activity is contrary to law, the matter should be handled by the MoJ.¹⁰⁹ The MoJ regulates lawyers but cannot prosecute them criminally. Criminal prosecutions are handled by the Procuracy.

Since 2003, applicants to become a trademark lawyer in China must satisfy one of the following requirements: having served as a lawyer or trademark agent with experience engaging in the trademark business or having studied intellectual property law for more than two years and obtained a corresponding diploma. In addition, the China Trademark Association (“CTA”) is granted authority to regulate the profession under the November 2022 rules. The CTA, like CPAA and ACLA is a GONGO (Government Organized Non-Governmental Organization¹¹⁰) that has some regulatory authority over its members, including referrals to CNIPA for additional sanctions.¹¹¹ This is also analogous to the government-affiliated United States state bars that assist in many states by performing dual functions of both advancing the profession and regulating it. GONGOs in China are often managed by recently retired or former officials from the government agency that supervises them. Proposed revisions to the Trademark Law expand the role of the CTA by requiring it to “formulate industry self-governance norms” and “educate for professional ethics and discipline” among other areas.¹¹²

China generally permits pro se appearances by domestic applicants in patent and trademark matters, as well as representation by agents ad litem in court proceedings. A pro se appearance is one made directly by the affected party and not through representation by counsel. An agent ad litem need not be an attorney. These and other measures lower barriers

108. See *Quan guo Lu xie guan yu kai zhan lu shi shi wu suo cong shi shang biao dai li ye wu ji zhong bei an gong zuo de tong zhi* (全国律协关于开展律师事务所从事商标代理业务集中备案工作的通知) (Dec. 17, 2020) [ACLA Notice on Development Law Firm Practice of Trademark Agency]; *Lv shi shi wu suo cong shi shang biao dai li ye wu guan li ban fa* (律师事务所从事商标代理业务管理办法) [Provisions on Procedures for administrative regulation of law firms practicing trademark law] (promulgated by the State Administration for Industry and Commerce, Nov. 6, 2012, effective Nov. 15, 2012) NATIONAL PEOPLE’S CONGRESS (Dec. 21, 2012), http://www.npc.gov.cn/zgrdw/huiyi/lftz/sbfxczt/2012-12/21/content_1747736.htm [<https://perma.cc/SXR9-Z9V7>] [hereinafter SAIC Rules on Practicing Trademark Law].

109. *Id.*

110. See Moises Naim, *What is Gongo? How government-sponsored groups masquerade as civil society*, FOREIGN POLICY (Oct. 13, 2009, 4:51 PM), <https://foreignpolicy.com/2009/10/13/what-is-a-gongo/> [<https://perma.cc/748T-GA9M>].

111. SAIC Rules on Practicing Trademark Law, *supra* note 108.

112. Proposed Trademark Law, Art. 70.

and costs that might otherwise exist for Chinese IP applicants to utilize their own domestic system.¹¹³

Like USPTO,¹¹⁴ a prospective member of the trademark bar is not required to take an exam to practice before the CNIPA. The CTA organizes its trademark attorney examination every year, but the certificate is only an endorsement, not a requirement to practice before the CNIPA. Currently, there are 61,909 recorded trademark agencies, and 10,614 recorded law firms before CNIPA.¹¹⁵ Although the most influential trademark agencies are CTA members, there are only about 1,450 members of the CTA.¹¹⁶

CNIPA has been increasing its regulation of trademark agencies in recent years. On November 1, 2022, SAMR, the parent agency to CNIPA, promulgated Rules on Inspection and Supervision of Trademark Agents, bringing trademark agents into a more regulated environment than in the

113. Patent Law (2020), Art. 18 “Where any foreigner, foreign enterprise or other foreign organization without a habitual residence or business office in China files a patent application or handles other patent-related matters in China, he or it shall entrust a legally established patent agency with the application or such matters. Where any Chinese entity or individual files a patent application or handles other patent-related matters in China, he or it may entrust a legally established patent agency with the application or such matters.”; Trademark Law of China (2020), Art. 18 “A party may apply for trademark registration or handle trademark-related matters on its own or by entrusting a trademark agency established pursuant to the law. A foreigner or foreign enterprise shall entrust a trademark agency established pursuant to the law for applying for trademark registration and handling other trademark-related matters in China.”; Civil Procedure Law (2017), Art. 58: “Article 58 A party or statutory agent may appoint one or two persons to act as his or her agent ad litem(s). The following persons may be entrusted as agents ad litem of a party to a lawsuit: 1. lawyers and basic legal service workers; 2. close relatives or employees of the party to the case; 3. citizens recommended by the community where the party resides, the employer of the party or any other social organization concerned.” Chinese data also shows a high incidence of non-service invention patenting, i.e., patenting outside of one’s employment. *See, e.g.,* Mark A. Cohen, *Understanding Service Invention Data*, CHINAIPR (Dec. 1, 2012), <https://chinaipr.com/2012/12/01/understanding-service-inventions-data/> [https://perma.cc/L4ZZ-5QX9]; Dan Prud’homme, DULLING THE CUTTING EDGE: HOW PATENT RELATED POLICIES AND PRACTICES HAMPER INNOVATION IN CHINA (2012) https://mpr.ub.uni-muenchen.de/43299/1/MPRA_paper_43299.pdf [https://perma.cc/9QX7-L3UF]; “Opinions on Strengthening the Protection of Intellectual Property” Promotion Plan” (2020—2021年贯彻落实《关于强化知识产权》); Mark Cohen, *Is It In There – CNIPA’s “Phase 1” IP Action Plan?*, CHINAIPR (Apr. 12, 2020), <https://chinaipr.com/2020/04/22/is-it-in-there-cnipas-phase-1-ip-action-plan/> [https://perma.cc/L4ZZ-5QX9]; 中共中央 国务院印发《知识产权强国建设纲要（2021—2035年）》 [Outline for a Strong IP Economy 2021-2035], CENT. COMM. OF THE COMMUNIST PARTY OF CHINA AND STATE COUNCIL (Sept. 22, 2021), http://www.gov.cn/zhengce/2021-09/22/content_5638714.htm [https://perma.cc/K3YD-LFUD].

114. TRADEMARK MANUAL OF EXAMINING PROCEDURE § 602.01.

115. *China Trademark Agency List*, *supra* note 83.

116. Zhong hua shang biao xie hui hui yuan ming dan (中华商标协会会员单位名单) [CTA Member List], CHINA TRADEMARK NETWORK, https://www.cta.org.cn/hytd/hyml/hy/dw/201608/t20160815_41926.html [https://perma.cc/GD3C-K5AN] (last viewed on Dec. 26, 2022).

past.¹¹⁷ These rules govern both trademark agents and trademark attorneys (Art. 5). Both patent and trademark agents need to be Chinese citizens.¹¹⁸ Chinese patent agents are regulated by the China Patent Agent Association (“CPAA”). The China Trademark Office terminated trademark agent professional exams in 2003. As in the United States, patent agents, by contrast, take an exam.¹¹⁹

In late 2022, CNIPA published an announcement requiring all the agencies already recorded before November 30, 2022, to be re-recorded before CNIPA. The new recordation requires more information.¹²⁰ Recorded entities must also now make a new record every three years.¹²¹ The purpose of the re-recordation and the latest recordation rules is to clear up those agencies who have no staff or operations, or what some Chinese lawyers call “zombie agencies.”¹²² New requirements also mandate that trademark attorneys and agents sign a letter of commitment.¹²³ The letter of commitment requires that registered attorneys “not act as an agent for malicious trademark registration applications and hoarding of trademarks,” and serves as a warning against illegal or bad faith activities. The proposed revisions to the trademark law would impose additional requirements upon trademark firms, including a requirement that 2/3 or more of its shareholders or partners hold requisite professional qualifications.¹²⁴ In addition, the proposed revisions to the

117. Shang biao dai li Jian du guan li gui ding (商标代理监督管理规定) [*Provisions on Administrative regulation of Trademark Agency*], State Admin. for Market Regul., Guo jia shi chang Jian du guan li zong ju ling (国家市场监督管理总局令), 63 (Oct. 27, 2022, effective Dec. 1, 2022), http://www.gov.cn/zhengce/2022-11/01/content_5723492.htm [<https://perma.cc/3GBD-WHN8>].

118. *See id.*

119. 2022 nian zhuan li dai li shi zi ge kao shi gong gao (2022年专利代理师资格考试公告) [*Announcement regarding the 2022 Trademark Agent Bar Examination*], CNIPA, 488 (June 21, 2022), https://www.cnipa.gov.cn/art/2022/6/21/art_74_176133.html [<https://perma.cc/XF9D-K4SE>].

120. CNIPA Guan yu shang biao dai li ji gou chong xin bei an de gong gao (国家知识产权局关于商标代理机构重新备案的公告) [*CNIPA Announcement regarding the re-registration of trademark agencies*], CNIPA, 507 (Dec. 2, 2022), https://www.cnipa.gov.cn/art/2022/12/2/art_74_180630.html [<https://perma.cc/XTY4-W554>].

121. Shang biao dai li ji gou bei an ban li xu zhi (商标代理机构备案办理须知) [*Notice of administrative procedures of trademark agency registration*], TRADEMARK OFFICE OF CNIPA (Nov. 30, 2022), https://sbj.cnipa.gov.cn/sbj/sddl/201804/t20180402_6526.html [<https://perma.cc/JLB8-Z6FE>].

122. *See, e.g.*, 京西市监处罚〔2022〕1555号(Jin xi shi jian chu fa[2022]1555 hao) [*Trademark agency failed to commence operations within six months of being granted a license*], Beijing Market Supervision Admin., http://scjgj.beijing.gov.cn/zwx/xzxkxzcfs/xzcf/202111/t20211102_2526977.html?name=nbaseinfo&id=5a528bc64ff174dc1d3e749572b4c00c [<https://perma.cc/HGH8-QQKF>].

123. Shang biao dai li cong ye gaozhi cheng nuo shu (商标代理从业告知承诺书) [*Acknowledgement by practicing trademark agency*], CNIPA, <https://sbj.cnipa.gov.cn/sbj/sddl/201911/W020221130416216432919.docx> [<https://perma.cc/V44S-PZGT>].

124. Proposed Trademark Law, Art. 68.

Trademark Law require that trademark agency practitioners have “good credit,” and that they not engage in trademark agency business in two or more trademark agencies concurrently.¹²⁵

The Chinese phenomenon of zombie agencies from China has a parallel counterpart in Chinese filings before the USPTO. While both countries have been targeting falsified legal documents, the United States has had to deal with non-existent U.S. trademark lawyers or agencies since its own Domestic Counsel rule was implemented. In the United States variation of the Chinese “zombie” filing, Chinese applications have utilized the names of lawyers without authorization¹²⁶ or even filed “Frankenstein” applications in the name of deceased attorneys.¹²⁷

III. CHINA’S EMERGENCE AS A TRADEMARK AND PATENT SUPERPOWER AND ITS CONSEQUENCES FOR THE BAR

Willa Cather wrote that “there are some things you learn best in calm, and some in storm.”¹²⁸ Perhaps the most significant lesson of the current spate of U.S. and Chinese fraudulent trademark filings is found in the challenges in apprehending a rapidly emerging problem and the correspondingly slow efforts to address impending problems. Lessons learned “in the [relative] calm” could have averted many of the actions taken during those crises that were relatively predictable. At the same time, the experience of U.S. engagement with China on intellectual property affairs has been that there has hardly been a time when the weather was completely “calm.”

There are many factors that contributed to this rapid growth in domestic and overseas patent and trademark filings as part of China’s strategic approach to increasing its participation in the global IP system. These factors included the increasing incorporation of IP-related goals into China’s economic planning, the involvement of small businesses and traders in China’s IP regime, the growth of e-commerce, and nascent

125. Proposed Trademark Law, Art. 70.

126. See, e.g., YIRUI XU, U.S. Trademark Application Serial No. 88557669 - B BRAVENEW - N/A (September 08, 2020) United States Patent and Trademark Office (USPTO) Office Action (Official Letter) About Applicant’s Trademark Application, which notes that “the USPTO has reason to believe that the attorney of record was appointed without her knowledge or permission. The attorney’s correspondence information has been removed from the USPTO database and replaced with the relevant owner information. All future correspondence will be sent to this address unless updated otherwise.”

127. Mark A. Cohen, *Frankenstein Trademark Agents from China!*, CHINA IPR (Aug. 31, 2022) <https://chinaipr.com/2022/08/31/frankenstein-trademark-agents-filing-from-china/> [<https://perma.cc/7RE8-2PYC>] [hereinafter *Frankenstein Agents*].

128. Willa Cather, *THE SONG OF THE LARK* 443 (1915).

ethical regimes governing legal and IP practice. The global pandemic did not appear to significantly deter trademark filings in its first year, with USPTO showing an increase and China showing only a modest decline in filings (2020).¹²⁹ Both countries also experienced sensational, opportunistic, and potentially misleading trademark filings related to Covid-19 during the pandemic.¹³⁰

Among the economic factors, national goals included China's becoming both a "big" and "strong" IP economy.¹³¹ The support provided by high-level, multi-faceted national goals as elaborated in the National IP Strategy and other high-level national plans may have had the earliest and most dramatic impact on the increase in overseas trademark filings by Chinese applicants. A second and subsequent factor has been the growth in e-commerce and the demands imposed on exporters from China by e-tailers, such as Amazon, to obtain trademarks for their products.¹³²

These national goals were implemented by increasing efforts of the Chinese government to support domestic and international IP filings through subsidies¹³³ as well as through national and local government set performance metrics for IP creation, which are used to judge the performance of officials and business leaders. These metrics have also incentivized highly distortionary use of the IP system in China, such as by

129. Kangxin Partners, *COVID And Trademark Filing Statistics in US, China, And EU – Is There a Pandemic Going On?*, MONDAQ (Nov. 25, 2020), <http://en.kangxin.com/html/2/218/219/220/12665.html> [<https://perma.cc/878J-CBPM>].

130. Irene Calboli, *Trademarks and the COVID-19 Pandemic: An Empirical Analysis of Trademark Applications Including the Terms "COVID," "Coronavirus," "Quarantine," "Social Distancing," "Six Feet Apart," and "Shelter in Place,"* 54 AKRON L. REV. 401, 477 (2021); Aaron Wininger, *China Punishes Another Trademark Agency for Malicious Registration of Coronavirus-Related Trademarks*, NATL L. REV. (Sept. 12, 2020), <https://www.natlawreview.com/article/china-punishes-another-trademark-agency-malicious-registration-coronavirus-related> [<https://perma.cc/7QQ8-S5WX>]; Aaron Wininger, *Chinese Trademark Office Cracks Down on Malicious Filing of Coronavirus-Related Trademarks*, NATL L. REV. (Feb. 27, 2020) <https://www.natlawreview.com/article/chinese-trademark-office-cracks-down-malicious-filing-coronavirus-related-trademarks> [<https://perma.cc/R8DW-GG3L>].

131. Mark Cohen, *Action Plan for Further Implementation of the National IP Strategy (2014 – 2020) Approved*, CHINA IPR (Dec. 30, 2014), <https://chinaipr.com/2014/12/30/action-plan-for-further-implementation-of-the-national-ip-strategy-2014-2020-approved/> [<https://perma.cc/KD86-USTS>].

132. See, e.g., *Outline of the National Intellectual Property Strategy (Notice 18 of the State Council)*, WIPO IP PORTAL (June 5, 2020), <https://wipo.int/en/legislation/details/859> [<https://perma.cc/QW4X-6UGY>].

133. *Trademarks and Patents in China: The Impact of Non-Market Factors on Filing Trends and IP System*, USPTO (Jan. 13, 2021), <https://www.uspto.gov/sites/default/files/documents/USPTO-TrademarkPatentsInChina.pdf> [<https://perma.cc/S86F-EFWK>].

encouraging prisoners to file patents to seek reduced sentences,¹³⁴ using patents for corrupt purposes such as licensing to government entities by government officials who are responsible for their operation,¹³⁵ and end-of-year rushes to file patents in order to exhaust subsidies or satisfy metrics,¹³⁶ among others.

The burdens imposed on USPTO by these increased filings by China included staffing challenges to meet end-of-year rushes to file fraudulent trademarks, and concerns over budgetary imbalances if post-filing/unsubsidized fees are not paid by the Chinese applicants. The subsidy for an overseas trademark filing was historically more than the application fee for a trademark at the USPTO,¹³⁷ thereby making it possible to profit by filing trademarks overseas if costs for legal and other fees could be kept at a sufficiently low level. These subsidies may have helped drive the “bulk” filings of trademarks at the USPTO, including the filing of fraudulent specimens of use, fraudulent nominations of U.S. trademark attorneys, and misuse of PTO accounts by foreign actors.

USPTO’s goal of having low barriers to entry through reducing trademark application fees to as inexpensive as \$250.00 per electronic application, per class (currently using TEAS Plus for filing a completed application at the time of submission), along with Chinese subsidies of \$750 from Shenzhen, have created an attractive arbitrated business opportunity for unscrupulous actors. These actors can file large numbers of trademarks in the United States for profit if legal fees and expenses can be kept low. Of course, lower legal fees by themselves also create such arbitrage, and may also be more responsible for some of the disciplinary actions involving jurisdictions other than China. Such an outcome, however, was not inevitable when the subsidy programs began. It was theoretically possible that subsidized applications could lower the costs sufficiently to enable Chinese applicants to obtain responsible counsel. Alas, that theory does not appear to have been borne out by the reality of

134. Mark A. Cohen, *Prison Inventions and Patent Subsidies*, CHINA IPR (Jan. 19, 2015), <https://chinaipr.com/2015/01/19/prison-inventions-and-patent-subsidies/> [https://perma.cc/D3XA-J5LH].

135. Mark A. Cohen, *The Real Mischief of Tianjin’s Patenting Police Chief*, CHINA IPR (Aug. 28, 2014), <https://chinaipr.com/2014/08/28/the-real-mischief-of-tianjins-patenting-police-chief/> [https://perma.cc/VFH8-BRCW].

136. Mark A. Cohen, *The End of Year Patenting Rush and Innovation in China*, CHINA IPR (Sept. 11, 2021), <https://chinaipr.com/2021/09/11/the-end-of-year-patenting-rush-and-innovation-in-china/> [https://perma.cc/FD42-YTG7].

137. *USPTO Fee Schedule*, USPTO, <https://www.uspto.gov/learning-and-resources/fees-and-payment/uspto-fee-schedule#TM%20Application-related> (last visited Dec. 21, 2022) [https://perma.cc/E92W-ULZM].

the high number of fraudulent unlicensed consultancies engaged in the UPL.

China's focus on increasing the numbers of its domestic and international IP filings has been a mixed blessing for the domestic and international IP community. Critics such as the USPTO have suggested that the increases in patent and trademark filings have been largely forced by government action, like "pulling a sprout to force it to grow" (according to a Chinese saying: 拔苗助长).¹³⁸ The rate of increase in filings has also been demonstrably disproportionate to China's already remarkable economic growth.¹³⁹ The rapid increase in filings has also led to concern about the quality of patents and trademarks being filed and has also increased the incidence of fraudulent filing activities in both China and abroad. At the same time, China has become an IP stakeholder, which had been a long-desired outcome of much of foreign engagement with China over many decades.¹⁴⁰ Such increased filings have also brought China into inter-governmental plurilateral organizations such as the TM-5, IP-5 and ID-5, consisting respectively of the five largest trademark, patent, and industrial design offices.¹⁴¹

As early as 2011, former USPTO Director David Kappos had called China's rapid increase in IP filings "mind-blowing."¹⁴² In 2015, China received 2,815,843 applications or about 8 times the number of trademark applications received in the United States (353,936). By 2021, the Chinese trademark office had received 9,084,571 trademarks, or about 14 times the number of applications of the United States (639,189). China's rate of increase has also generally continued to be more than that of the United States.¹⁴³

This rapid increase in domestic Chinese trademark filings was also accompanied by rapid absolute and relative growth in China's overseas trademark filings. In 2017, China constituted 28.2% of the total number of foreign applications at USPTO. By Fiscal Year ("FY") 2021, Chinese

138. *Id.*

139. Jonathan Putnam, Hieu Kuu, and Ngoc Ngo, *Innovative Output in China* (Aug. 12, 2020), <https://ssrn.com/abstract=3760816> [<https://perma.cc/2MYW-H2T5>].

140. David Kappos, *China as an IP Stakeholder*, USPTO (June 1, 2012), https://www.uspto.gov/blog/director/entry/china_as_an_ip_stakeholder [<https://perma.cc/52HJ-VWRH>].

141. Mark Cohen, *The Xmas Phone Call of '06 and What it Meant to IP Cooperation*, CHINA IPR (Dec. 6, 2015), <https://chinaipr.com/2015/12/06/the-xmas-phone-call-of-06-and-what-it-meant-to-ip-cooperation/> [<https://perma.cc/5SKN-89DE>].

142. Steve Lohr, *When Innovation, Too, is Made in China*, N.Y. TIMES (Jan. 2, 2011), <https://www.nytimes.com/2011/01/02/business/02unboxed.html> [<https://perma.cc/VEY2-GCBF>].

143. *Statistics, TM5 TRADEMARK OFFICES* (last visited Dec. 19, 2022), <http://tmfive.org/statistics/> [<https://perma.cc/44NB-U86F>].

trademark applicants had grown to constitute 60.6% of all the foreign applicants. China's share of all USPTO trademark filings both domestic and foreign in 2021 had also grown to 32% of application totals, thereby becoming a major component of USPTO's trademark application income stream.¹⁴⁴

Due to the magnitude of the filings, their rapid growth, and the challenges of assessing instances of fraud, it is difficult to estimate the percentage of Chinese trademark filings which may be fraudulent in nature. Based on a sample of Chinese trademark filings in the apparel class before the United States had introduced its Domestic Counsel rule, Professors Beebe and Fromer from N.Y.U. Law School estimated that 66.9% of these applications included fraudulent evidence of use, and an estimated 14% of all applications in all classes were fraudulent in nature.¹⁴⁵ Since 2021, USPTO audits have further found that more than 50 percent of audited trademark maintenance filings contained goods or services not in use in commerce.¹⁴⁶

Professors Beebe and Fromer were also concerned about “trademark clutter” and “trademark depletion” on small businesses, who may find it difficult to register trademarks due to fraudulent applications filed by others. Trademark clutter occurs when “registers contain . . . a large number of unused or overly broad trademarks.” Such unused trademarks can cause trademark depletion as “[t]he space of marks that have desirable connotations while being sufficiently distinct from existing trade marks is not necessarily . . . infinite.”¹⁴⁷ I have less confidence in the strength of this argument as it applies to the flood of Chinese applications. The research by Professors Beebe and Fromer on trademark depletion was based on empirical research with respect to “the sets of potential marks that businesses prefer most: standard English words, short neologisms that are pronounceable by English speakers, and common American surnames.”¹⁴⁸ Many of the trademarks being filed by Chinese applicants

144. USPTO, PERFORMANCE AND ACCOUNTABILITY REPORT (2021), <https://www.uspto.gov/sites/default/files/documents/USPTOFY21PAR.pdf> [<https://perma.cc/69GS-QTQL>] [hereinafter “PAR”].

145. Barton Beebe & Jeanne C. Fromer, *Fake Trademark Specimens: An Empirical Analysis*, 120 COLUM. L. REV. FORUM 217 (March 17, 2020), <https://ssrn.com/abstract=3556121> [<https://perma.cc/WBH7-BS7N>].

146. OIG Report, *supra* note 80, at 1.

147. GEORG VON GRAEVENITZ, CHRISTINE GREENHAIGH, CHRISTIAN HELMERS, & PHILIPP SCHAUSTSCHICK, UK IPO, TRADE MARK CLUTTERING: AN EXPLORATORY REPORT, 10–11 (2012).

148. Barton Beebe & Jeanne C. Fromer, *Are We Running Out of Trademarks? An Empirical Study of Trademark Depletion and Congestion*, 131 HARV. L. REV. 945, 1012 (Feb 9, 2018), <https://harvardlawreview.org/2018/02/are-we-running-out-of-trademarks/> [<https://perma.cc/2XEJ-P66G>] [hereinafter Beebe and Fromer].

are sufficiently nonsensical, contrived, and possibly of short duration as to have limited value in depriving other applicants of similarly meaningless trademarks.

Nor do these actions easily fit Beebe and Fromer's definition of wordmark congestion, which is "the process by which a word mark that is already claimed is claimed by an increasing number of different trademark owners."¹⁴⁹ The growth of e-commerce platforms as vehicles for SME sales may also have led to an increase in utilization of the system, primarily to satisfy an e-commerce site's need for "any" trademark in order for it to avoid claims of counterfeiting, such as is used by Amazon's Brand Registry program, as well as to capitalize on China's extensive capacity to manufacture goods for on-demand branding by multiple companies. Examples of such unpronounceable or nonsensical marks can be easily obtained from Amazon. For example, as I wrote this article, I saw advertisements for "Automet," "Nitagut," "Anixay," "Mcporo," "Telaleo," "Magcomsen," "Miholl," and "Viishow" on December 2, 2022, on Amazon.com for shirts.

These marks likely pose little risk of being desired in some form by others, as the possibility of creating other nonsensical, nondescriptive, hard to remember trademarks is nearly limitless and many of these marks are competing against many other similarly hard to remember marks. The number of brands competing in this space may mandate that no one trademark becomes sufficiently distinctive to dominate a given market. Amazon requires a trademark registration to participate in their brand registry and other support programs. Many of these trademarks appear short-lived and are highly reactive to business opportunities. For example, according to one study, 666 brands spent one day or more in the audio headphones top 100 best-sellers list; only 20 brands spent 500 days or more, and only 5 brands spent a full 2 years.¹⁵⁰

Over the past several years, Chinese companies have also become among the largest users of Amazon's platform, accounting for about 59% of top Amazon sellers by country.¹⁵¹ One survey in 2021 indicated that 75% of new sellers on Amazon are also from China.¹⁵² The need for in-

149. *Id.*

150. Juozas Kaziukenas, *Amazon's Revolving Door of Brands*, MARKETPLACE.COM (July 27, 2021), <https://www.marketplacepulse.com/articles/amazons-revolving-door-of-brands> [<https://perma.cc/4L2V-F2FS>].

151. Dave Bryant, *Top Amazon Sellers by Country 2023*, ECOMCREW (Aug. 11, 2022), <https://www.ecomcrew.com/amazon-sellers-by-country/> [<https://perma.cc/S8W2-HJMA>].

152. Haiyan Ren, *Trademark Agency's Liability Associated to Bad Faith Filing*, BERKELEY CTR. FOR L. AND TECH. ROUNDTABLE, USPTO'S BATTLE AGAINST FRAUDULENT TRADEMARK FILINGS FROM CHINA: ORIGINS, STRATEGIES AND ETHICS (October 11, 2022),

country advice has also spawned a growth in trademark and online consulting services in China, which can lead to UPL. Online platforms in China such as Alibaba advertise that they could help Chinese companies obtain U.S. trademarks and provide other support for their entry into the U.S. market.¹⁵³

For individuals who read comic books or are familiar with the Superman franchise, the nonsensical trademarks being registered by Chinese companies are reminiscent in orthography of Mr. Mxyztlk in the Superman comic books. Mr. Mxyztlk is a transient imp from the 5th dimension. Mr. Mxyztlk was first registered as a trademark in 1977 for toy dolls but has since not been renewed.¹⁵⁴ His original spelling was Mxyztlk when first created in 1944. He could be sent back to his home if he said his name backwards, which would be another unpronounceable task.¹⁵⁵ Mr. Mxyztlk demonstrated to his readers that there are boundless possibilities for creating new names using this approach of randomly combining letters to make names that are unpronounceable backwards or forwards. Using his 8-character name and the 26 letters of the English alphabet as an example, and without adjusting for the troublesome English habit of using vowels between consonants or adding diacritics, numbers or symbols, there are potentially 8,031,810,176 (26^8) different combinations for 8 letter character “words” of the type of Mxyztlk. The possibilities appear endless, at least for names from the fifth dimension, or China!

Beebe and Fromer also express their concerns about potential impact on small businesses. I believe that small businesses, particularly Chinese small businesses, may be relatively unaffected by these rampant, nonsensical filing activities. They need immediately available marks which pose a minimum of conflict with other registered marks to satisfy on-line market demands. Chinese IP subsidy programs may also generally help bring Chinese small companies into a market. PTO data (below) from FY 2013-2017, provided to me for public presentations when I worked at USPTO, dramatically shows that despite their pernicious consequences,

<https://bk.webcredenza.com/program?id=84994> [<https://perma.cc/LX4M-A7ZU>] [hereinafter Haiyan Ren BCLT Presentation].

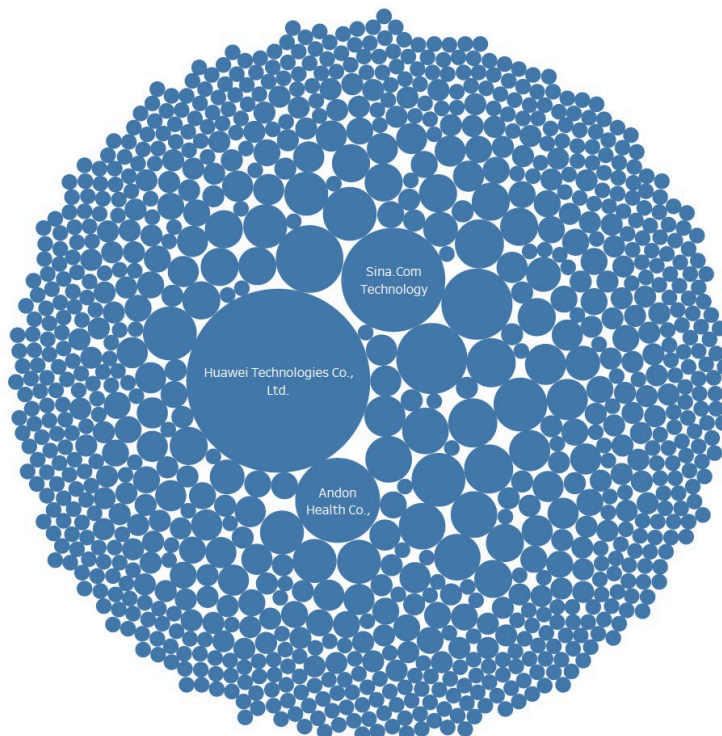
153. *Id.* at 11:00; See also *Trademark Registration (1784 products available)*, ALIBABA.COM (last viewed on Dec. 4, 2022) <https://www.alibaba.com/showroom/trademark-registration.html> [<https://perma.cc/BFP8-HLDZ>].

154. *Trademark Electronic Search System (TESS)*, U.S. PAT. & TRADEMARK OFF., <https://tmsearch.uspto.gov/bin/showfield?f=doc&state=4802:w609ja.2.1> (Mar. 30, 2023, 4:07 AM) [<https://perma.cc/7GB7-FAQS>].

155. *Mr. Mxyztlk*, SUPERMAN SUPER SITE (last viewed on Dec. 27, 2022), <https://www.supermansupersite.com/mxyztlk.html> [<https://perma.cc/RYA4-YJBQ>].

subsidies appeared to have also been a vehicle for greater dispersion of ownership of U.S. trademarks, which was when these subsidy programs were at their peak.¹⁵⁶ By 2017, most of the filings were from separate entities.¹⁵⁷

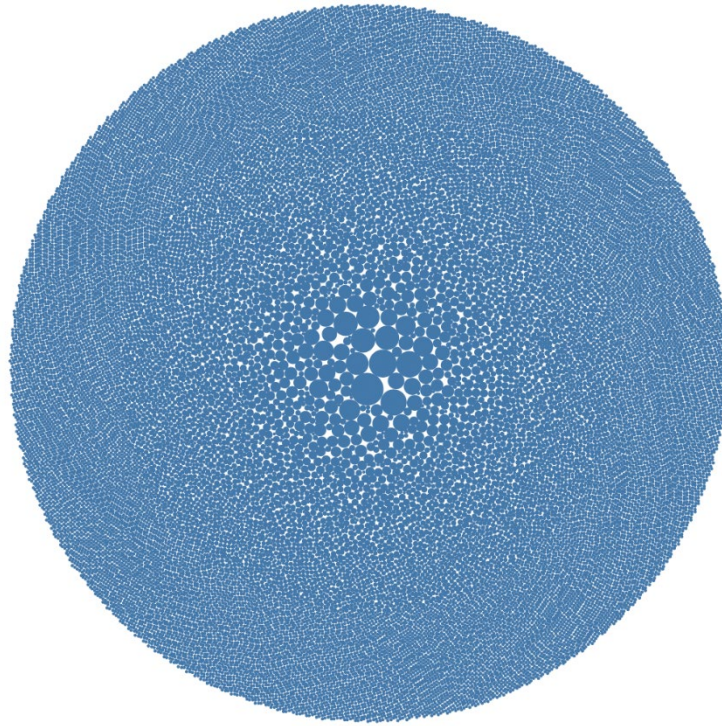
GRAPH A
2011 FY Chinese Trademark Filings By Applicant



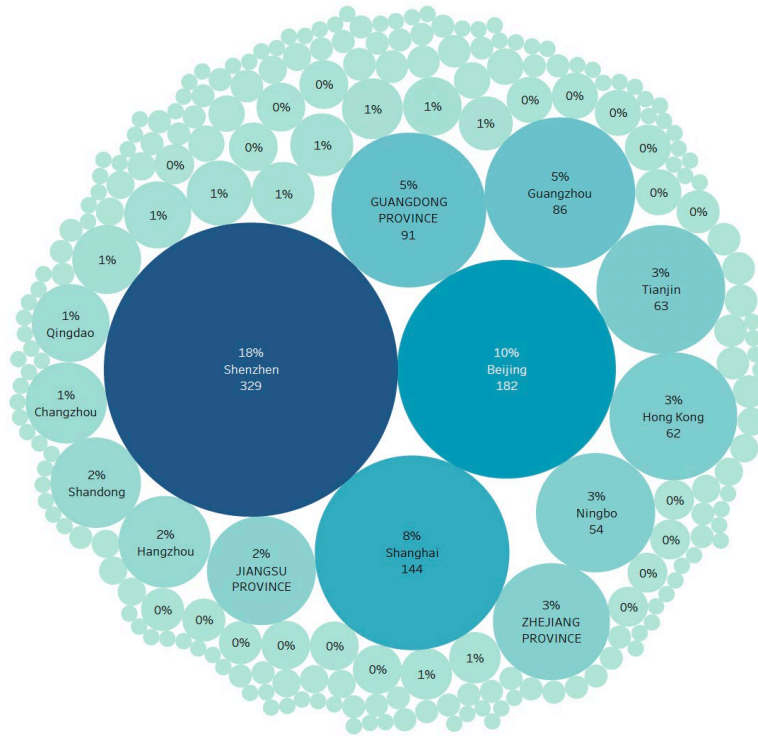
156. Mark Cohen, *Mass innovation, Mass Entrepreneurship and IP in Today's China*, SLIDEPLAYER (April 2018), <https://slideplayer.com/slide/14422783/> [<https://perma.cc/MQE4-TJLH>] (Slides from presentation at a conference sponsored by the Berkeley Center for Law and Technology. The full set of data is available from the author.).

157. The data may overrepresent small businesses to the extent that these individual applicants may have fraudulently stated their individual status to avoid hiring domestic U.S. counsel, which had been required for overseas corporate entities. At the same time, the data does disclose a market relative decrease in filing activities by major Chinese companies. It is also likely that small businesses may more rapidly seize on subsidies or other opportunities to opportunistically file trademarks. See Irene Calboli, *Trademarks and the COVID-19 Pandemic: An Empirical Analysis of Trademark Applications Including the Terms "COVID," "Coronavirus," "Quarantine," "Social Distancing," "Six Feet Apart," and "Shelter in Place,"* 54 AKRON L. REV. 401 (2021).

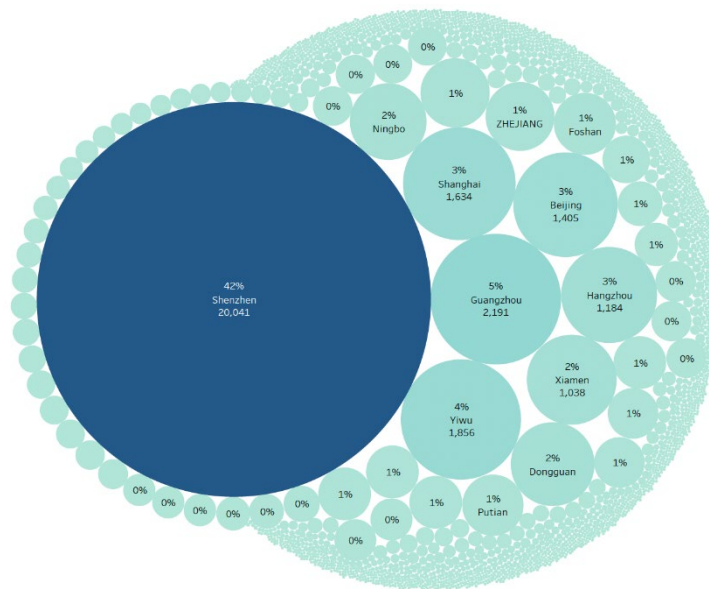
GRAPH B
2017 FY Chinese Trademark Filings by Applicant



GRAPH C
2011 FY Trademark Applications (Geographic Origin)



GRAPH D
2017 FY Trademark Applications (Geographic Origin)



The four charts vividly demonstrate an atomization of trademark filing entities between 2011 and 2017. In 2011, the three principal trademark filers from China were Huawei Technologies Co., Sina.Com, and Andon Health, although with several other significant filers. Thousands of smaller, individual filers filed in 2017 (Charts A, B). According to this same USPTO data, Shenzhen had also grown as a predominant source of filings from 18% in 2011 of all filings to 42% in 2017. In absolute terms, the growth was from 329 applications to 20,041. Yiwu, a sub-county township in Zhejiang Province famous for its small commodities market had grown to 4% of the total applications or 1,856, which was more than any single city or town in 2011. The data suggests a rapid increase in filings that may have been attributable to subsidies or market factors such as the growth of e-commerce opportunities in the United States. The rapid increase in filings, many of which appeared to be fraudulent, already had drawn concerns from the Wall Street Journal, that they would be “disrupting our trademark system.”¹⁵⁸

Whatever the impact on USPTO’s examination caseload, USPTO has not yet made out the case for an adverse impact on small businesses

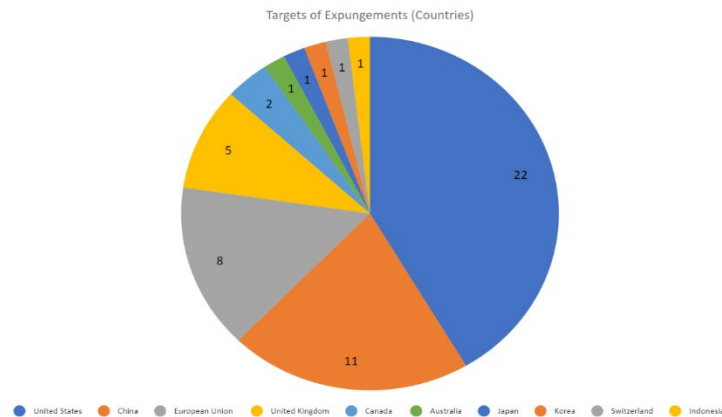
158. Jacob Gershman, *Flood of Trademark Applications from China Alarms US Officials*, WALL STREET JOURNAL, May 5, 2018 (quoting Josh Gerben, a United States trademark lawyer).

from this flood of Chinese TM filings. The principal concern appears to be fraudulent filing activity, rather than applications that are intended to mislead or misappropriate the superior rights of other trademark owners. The OIG Report,¹⁵⁹ in attempting to assess the impact of these fraudulent activities on the Trademark registry, names only one unidentified company that “spent millions of dollars in time and expense” to purchase a trademark that was not in use in commerce by the applicant in response to emerging trademark depletion concerns. When the TMA was passed in 2020, additional measures were made available to seek an expungement of bad faith or fraudulent trademarks on a less expensive, pro se basis. According to one prominent practitioner, the USPTO has also not seen a “flood of petitions” arising under this new procedure. As of October 2022, only 178 petitions were received under the TMA and 81 cases were instituted based on a prima facie case of non-use.¹⁶⁰ There were only 105 expungements by the Commissioner of Trademarks as of December 1, 2022, with an increasing number being filed towards the end of 2022, suggesting that greater familiarity with the process may yet result in increased filings. See Appendix II for a list of these expungements. Not surprisingly, considering their low value, very few of these cases are being defended. Equally important, the data does not reveal that Chinese trademark filings are the principal subject of successful expungement proceedings. According to the data that we compiled (Appendix II),

159. OIG Report, *supra* note 80, at 1.

160. See AIPLA Annual Meeting Materials, *supra* note 15 (presentations of Amy Cotton and Stephanie H. Bald). See also Stephanie H. Bald & Brianna Christenson, *Trademark Modernization Act – What We’ve Learned in the First Ten Months About the New Expungement and Reexamination Proceedings*, KELLY IP, LLP (unpublished paper presented at AIPLA meeting, October 2022, on file with the author) [hereinafter Bald & Christenson].

United States filings are the principal target, and are subject to twice the number of Chinese expungement filings:



Of course, disputes involving prior use in the United States through a common law trademark and the prosecution of a bad faith trademark alleging prior use should be concerning. A more recent example of such a case in the United States courts was *Home It, Inc. v. Wen*, involving a Chinese company that filed for a trademark to sell goods on Amazon that conflicted with a U.S. common law trademark. The dispute over Chinese rights to a common law trademark in the United States thus appears to have been “brought home by Home It,” courtesy of China’s subsidy program and Amazon’s brand registry initiatives.¹⁶¹ However, such cases appear to be relatively few compared to the large number of fraudulent marks.

There are also certain latent risks regarding the use of trademark expungement proceedings by large Chinese companies against smaller companies or individuals, particularly as an indirect means to suppress expression. A case in point is a currently pending case involving a pet waste disposal bag trademark that has been challenged by a large pet product association in Wenzhou, China. The mark disparages the Chinese national flag and is being challenged on non-use grounds by a Chinese trade association,¹⁶² although this action appears to be a pretext for a

161. *Home It, Inc. v. Wen*, No. 19-CV-7070, 2020 U.S. Dist. LEXIS 9879 (E.D.N.Y. Jan. 21, 2020).

162. The mark consists of a “red flag with five yellow shits in the upper left corner. The four small shits in the flag pattern are semi-circular and surround the right side of a large shit.” The Chinese flag consists of a similarly arranged group of yellow stars. *See* Trademark Registration Reg. No. 6,137,803 (registered Aug. 25, 2020), Int. Cl.: 18 CLASS 18: Pet accessories, namely, canvas, vinyl

challenge on the grounds of disparaging China's national flag and attempting to suppress the activities of its applicant. China's National Flag Law (1990) prohibits use of the national flag for trademark, advertising purposes, and for non-advertising purposes. It is also prohibited to "publicly and willfully burn, mutilate, scrawl on, [or] defile it" (Arts. 17, 18, 19). It is unlikely that a Chinese association, company or individual seeking to expunge the mark would be interested in using the mark for its own purposes in violation of Chinese law. The applicant, Ma Jinchun, a Chinese national, was apparently granted political asylum in the United States for disclosing the torture and imprisonment of a dissident according to press reports.¹⁶³ The *Matal v. Tam* decision in the United States has already held the Lanham Act's disparagement clause violated the Free Speech Clause of the Constitution, thereby making such regrettable trademarks registrable.¹⁶⁴ In at least this case, the new vehicle of expungement may be used as a tool to try to suppress the free speech authorized by *Matal v. Tam*.

To address the problem of unused registered trademarks, both the United States and China have used expungement proceedings to erase the mark from the trademark registry. The TMA's procedures are new but nonetheless appear to be senior to the CNIPA procedures. In another instance of "parallel play" or mirrored policy initiatives, the proposed revisions to China's Trademark Law identify several mechanisms to expunge marks from the Chinese register, including revocation of preliminary approvals (Art. 37), revocation of registered trademarks due to impairment of public interests (Art. 49), and a failure of trademark owners to explain trademark use every five years (Art. 61). The proposed revisions to China's trademark law similarly call for enhanced use of expungement proceedings, including on an ex parte basis ("Invalidation and Revocation of a Trademark," Arts. 44, 45). The recent focus in the revised trademark law to require proof of use is also parallel to U.S. concerns regarding falsified proof of use in U.S. trademark applications.

and leather pouches for holding disposable bags to place pet waste in, Trademark Principal Register Petition Number 2022-100182. The full docket is available at <https://tsdr.uspto.gov/documentviewer?caseId=sn88584529&docId=ORC20200816205238#docIndex=9&page=1> [<https://perma.cc/6G6Y-GQ5F>].

163. Stephanie Weaver, *Chinese Immigrants Get Taste of Thanksgiving in West Reading Home*, *READING EAGLE* (Nov. 25, 2016), <https://www.readingeagle.com/2016/11/25/chinese-immigrants-get-taste-of-thanksgiving-in-west-reading-home/> [<https://perma.cc/L34E-RTDU>].

164. 137 S. Ct. 1744 (2017).

IV. THE EVOLUTION OF U.S. AND CHINA TRADEMARK ENFORCEMENT CAMPAIGNS

A. *Chinese Practices, Stage 1 – Bad Faith and Squatted Trademarks*

A particular concern to foreign brand owners during the period after China's WTO accession (2001) has been the persistent problem of bad faith trademark registrations. China and the United States had repeatedly agreed to work together to address bad faith registrations in such bilateral fora as the former ministerial-level Joint Commission on Commerce and Trade ("JCCT") and its related IPR working group, as well as in other channels. These commitments diplomatically addressed the need to address "bad faith registrations" without reference to any country or practice and, in form and substance, provide useful guidance in addressing fraudulent or bad faith trademark applications being experienced by the USPTO today. The record of these negotiations is also traceable through "fact sheets," "outcome statements" and other reports of bilateral dialogues, multilateral conferences, and other IP-related diplomatic engagements, particularly the JCCT, which had been the dialogue for IP-related negotiations.¹⁶⁵

The Director General of the Chinese Trademark Office at that time, Mr. An Qinghu, in numerous cordial meetings that I held with him while

165. See, e.g., *Trademark Filing: China and the United States will exchange information about handling bad faith trademark registration practices through holding seminars or forming a task force under the JCCT IPR Working Group*, OFF. OF THE U.S. TRADE REPRESENTATIVE (2009); "The United States and China agreed to exchange information about handling bad faith trademark registrations through holding a seminar or forming a task force under the JCCT IPR Working Group. A seminar, co-hosted by Europe, Japan, China and the United States was held on September 20-21, 2010." *21st U.S.-China Joint Commission on Commerce and Trade Fact Sheet*, OFF. OF THE U.S. TRADE REPRESENTATIVE (2010), <https://ustr.gov/about-us/policy-offices/press-office/fact-sheets/2010/21st-us-china-joint-commission-commerce-and-trade> [https://perma.cc/737T-R3XZ]; *Bad Faith Trademark Filings: The United States and China agree to continue and enhance their work to address the issue of bad faith trademark registrations, with continued engagement between Chinese, U.S. and other international counterparts to come up with solutions to reduce bad faith filings and improve and streamline the opposition/cancellation process with respect to such filings*, *22nd US-China Joint Commission on Commerce and Trade Fact Sheet*, OFF. OF THE U.S. TRADE REPRESENTATIVE (2011), <https://2010-2014.commerce.gov/news/fact-sheets/2011/11/21/22nd-us-china-joint-commission-commerce-and-trade-fact-sheet.html> [https://perma.cc/PH6T-GMPD]; "Bad Faith Trademark Registration: Of particular concern is the continuing registration of trademarks in bad faith. At the November 2016 JCCT meeting, China publicly noted the harm that can be caused by bad faith trademarks and confirmed that it is taking further steps to combat bad faith trademark filings. Nevertheless, U.S. companies across industry sectors continue to face Chinese applicants registering their marks and 'holding them for ransom' or seeking to establish a business building off of U.S. companies' 'global reputations.'" *2017 Report to Congress on China's WTO Compliance* (p. 17), <https://ustr.gov/sites/default/files/files/Press/Reports/China%202017%20WTO%20Report.pdf> [https://perma.cc/VWZ9-36P7].

working at the U.S. Embassy (2004-2008), explicitly rejected any reference to trademark squatting as offensive to China. At that time, the problem of squatting was especially concerning when it came to “well-known trademarks” which were required to be protected for both products and services by China as a WTO member without any prior registration.¹⁶⁶ Mr. An also sought to refute U.S. allegations regarding denial of national treatment in protecting these well-known trademarks in bilateral meetings as well through speeches and articles in international conferences and publications.¹⁶⁷ Nonetheless, during those early years after WTO accession there were numerous cases of “bad faith” registrations by Chinese companies who applied for trademarks of foreign brands and then sought to ransom them to the original trademark owner for money, a business opportunity, or other advantage. Recent proposed amendments to the Chinese trademark law generally provide for a greater protection for well-known trademarks, including protection similar to that afforded by U.S. law regarding dilution and tarnishment by addressing efforts to “weaken the distinctiveness of a well-known trademark” or “unfairly exploiting the reputation of the well-known trademark.” (Art. 18).

Former President Donald Trump was also victimized by this squatting behavior, although China later appears to have accelerated favorable consideration of trademark applications made by Trump or his daughter Ivanka, which thereby implicated U.S. constitutional concerns regarding an illegal “emolument.”¹⁶⁸ Donald Trump also earned the distinction of likely being the first president of the United States to have brought a lawsuit in a Chinese court on a trademark matter.¹⁶⁹

Concerns over such bad faith registrations extended beyond bilateral engagement. The TM-5, which consists of the five largest trademark offices in the world, also cooperated in addressing bad faith

166. TRIPS Agreement, Article 16(2); Paris Convention for the Protection of Industrial Property, Article 6(bis).

167. See Qinghu An, *Well-Known Marks & China's System of Well-Known Mark Protection*, 95 THE TRADEMARK REPORTER 3, 705–72 (2005); *International Trademark Association Announces New Chief Representative Officer for Asia Pacific*, INTERNATIONAL TRADEMARK ASSOCIATION (Mar. 10, 2023), https://www.inta.org/TMR/Documents/Volume%2095/vol95_no3_a5 [<https://perma.cc/9UYU-4D7K>]; *Well-known Trademark and Well-known Trademark Protection System in China*, 717 (2008) (listing 56 U.S. well-known trademarks recognized by China).

168. Erika Kinetz, *China grants 18 trademarks in 2 months to Trump, daughter*, AP NEWS (Nov. 6, 2018), <https://apnews.com/article/donald-trump-asia-pacific-business-china-voting-0a3283036d2f4e699da4aa3c6dd01727> [<https://perma.cc/TS39-XGPF>]. These cases thereafter also raised issues involving violations of the emoluments clauses of the U.S. constitution.

169. Mark Cohen, *More on Donald Trump on IP and China...*, CHINA IPR (Nov. 14, 2016), <https://chinaipr.com/2016/11/14/more-on-donald-trump-on-ip-and-china/> [<https://perma.cc/8SPP-R6ML>].

registrations.¹⁷⁰ The project has lasted over a decade and has been led by the Japan Patent Office. “Bad faith” was defined by the U.S. in 2011 to include a range of activities, including “misrepresentation about token use of a mark.”¹⁷¹ The focus of U.S. activities was not on Chinese trademark applications in the United States, but against trademark “squatters” of various kinds. Among the many outcomes of the TM-5 effort, a public awareness manga booklet on bad faith applications has also been published comparing efforts of TM-5 members in handling the challenge of bad faith registrations. The U.S. government contribution to that effort used the example of the Spiderman trademark being applied to a fitness gym.¹⁷²

China has recognized the importance of addressing squatting in the last several years, through its jurisprudence, its international commitments, its own initiatives, and legislative changes. The last significant bilateral commitment from China on this issue was set forth in the Economic and Trade Agreement Between the United States of America and the People’s Republic of China (Jan. 15, 2020) (the “Phase 1 Agreement”), which provided:

Article 1.24: With a view to strengthening trademark protection, the Parties shall ensure adequate and effective protection and enforcement of trademark rights, particularly against bad faith trademark registrations.

Article 1.25: The United States affirms that existing U.S. measures afford treatment equivalent to that provided for in this Section.¹⁷³

China implemented this commitment in a 2020 plan which provided that China would “Regulate trademark malicious registration and carry out investigation and monitoring of abnormal patent applications. (Complete by the end of December 2021 and continue to advance).” The subsequent parallel use by the United States and China of disciplinary

170. *Bad Faith Trademark*, TM5 FIVE TRADEMARK OFFICES (Nov. 1, 2021), <http://tmfive.org/continuationexpansion-of-bad-faith-project/> [https://perma.cc/XG6Z-592K].

171. Karen S. Kuhlke, ALJ, *Fighting Bad Faith Trademark Filings in the United States*, TRADEMARK TRIAL AND APPEAL BOARD, http://tmfive.org/files/App-3_USPTO-Bad-faith-seminar.pdf [https://perma.cc/94DF-TALP].

172. *For Counter Measures Against Bad-Faith Trademark Filings*, TM5 FIVE TRADEMARK OFFICES (Nov. 2021), http://tmfive.org/wp-content/uploads/2021/11/TM5_Manga-Booklet.pdf [https://perma.cc/LT9Q-5TW5].

173. *Economic and Trade Agreement Between the Government of the United States of America and the Government of the People’s Republic of China*, OFF. OF THE U.S. TRADE REPRESENTATIVE (Jan. 15, 2020), https://ustr.gov/sites/default/files/files/agreements/phase%20one%20agreement/Economic_And_Trade_Agreement_Between_The_United_States_And_China_Text.pdf [https://perma.cc/PF4U-QSF7].

measures was not anticipated by the drafters of this bilateral commitment. Neither China nor the United States committed to using attorney disciplinary measures to address malicious trademark registration in the Phase 1 Agreement. In addition, the Phase 1 Agreement does not appear in the 2021 OIG Report and appears to have been forgotten as a milestone in addressing this shared concern, providing another incentive for both countries to act in a parallel, rather than a coordinated fashion. Nonetheless, the Phase 1 Agreement does provide a channel for bilateral cooperation between the USPTO and CNIPA to “strengthen bilateral cooperation on the protection of intellectual property rights and promote pragmatic cooperation in this area . . . including joint programs, industry outreach, information and expert exchanges, regular interaction through meetings and other communications, and public awareness.”¹⁷⁴ This channel may help support the limited amount of exchange that has occurred during this period of “parallel play.”

B. China’s Past Practice in Addressing Bad Faith Trademark Filings

The Phase 1 Agreement did help accelerate existing changes already underway to address bad faith trademark filings. Articles 1.24-1.25 were diplomatic “low hanging fruit” that China was already pursuing. The Phase 1 Agreement acted as an accelerant to those slow-moving efforts, the impact of which is still perceptible in the Blue Sky Campaign and other initiatives.

China took steps to address its domestic bad faith registrations in the 2014 Trademark Law, which explicitly provided for the first time that trademark registrations shall be filed in “good faith.”¹⁷⁵ A 2016 case involving Michael Jordan that was heard by the SPC clearly demonstrated China’s commitment to “put teeth” into the notion of good faith in trademark prosecution.¹⁷⁶ In many respects the Jordan case also showed that principled, informed, and respectful engagement by the U.S. with China could have an impact in accelerating IP-related reform.¹⁷⁷

174. *Id.* Art. 1.33.

175. Trademark Law of the People’s Republic of China, Art. 16 (2014) (China), http://english.www.gov.cn/archive/laws_regulations/2014/08/23/content_281474983043626.htm [https://perma.cc/V8UV-K6VK].

176. Mark Cohen, *Jordan/Qiaodan Trademark Case – Translation Now Available Here*, CHINA IPR (Dec. 15, 2016), <https://chinaipr.com/2016/12/15/jordanqiaodan-trademark-case-translation-now-available-here/> [https://perma.cc/4DLQ-MV8J].

177. Mark A. Cohen, *Principled, Informed and Respectful: My “Secret” for Working With China*, CHINA IPR (June 4, 2014), <https://chinaipr.com/2014/06/04/principled-informed-and-respectful-my-secret-for-working-with-china/> [https://perma.cc/53BE-TPKF].

The Jordan case and subsequent follow-on cases brought by the former NBA star also demonstrated the rising importance of the judicial system in China in addressing such serial bad faith registrations, as those the squatter, Qiaodan Sports company, had secured over many years. In substance, the Michael Jordan case showed that Chinese courts were altering their approach to dealing with bad faith trademark registrations, and that they hoped that their approach would receive broad support from within China, including by legislative and other organs of the Chinese government. The case had that desired impact.

Michael Jordan originally had only registered his English language trademarks in China when he entered the Chinese market in the late 1990's. He was "squatted" on by Qiaodan Sports of Jinjiang, Fujian Province, which obtained registrations for Jordan in Chinese characters. By 2013, Qiaodan owned close to 80 registrations, all of which related to the real Jordan, and included Jordan's name, his logo, the names of his children, and his number 23 jersey. Qiaodan had also outfitted the 2008 Olympic basketball team for the country of Jordan. Qiaodan Sports had also been consistently using these marks and was increasingly successful in building a sports apparel empire in China, including owning more than 5,700 stores across China in 2015 with annual sales in the same year reaching RMB 3 billion, roughly \$500 million U.S. dollars.

During the period from 2012–2015, Jordan started actions to cancel Qiaodan Sports' trademarks in China. Jordan lost 78 appeals and lawsuits before a range of courts and the China's Trademark Review and Adjudication Board at SAMR's predecessor, the State Administration for Industry and Commerce.

The SPC ultimately ruled that Jordan enjoys personal name rights over the Chinese characters for the trademark Qiaodan based on the reputation of Michael Jordan, the public use of his name, and the stable relationship between his name and his mark. The court rejected Qiaodan's argument that there had to be an exclusive association between the Qiaodan name (in Chinese) and Michael Jordan (in English). The case implicitly also extended protection to foreigners who satisfied these criteria, some of whom may also have larger reputations in China than in their home country.

The SPC also insured that this departure from prior practice had sufficient dramatic and legal impact. The case was heard on April 26, 2016, which is World IP Day. The panel was expanded to a group of five senior and experienced judges. Justice Tao Kaiyuan served as Chief Judge. Justice Tao is an expert on civil law and is one of nine justices of the SPC. The hearing was broadcast live, streamed live, and made

available in both Chinese and English translation. The SPC reached out to Federal Circuit Chief Judge Randall Rader, who was teaching in Beijing at the time, to attend in person.

Chief Judge Rader was approached in part because of his co-authorship of an experiment in foreign filing of an amicus brief on an IP matter in China. The coauthors of that brief included former PTO Director David Kappos, University of Oregon Professor Eric Priest, and me.¹⁷⁸ Many aspects of the SPC opinion regarding the interface between personality rights and trademark rights appear to have been influenced by that amicus brief. The acceptance of an amicus brief was itself a milestone in U.S.-China cooperation, having been raised in repeated meetings with members of China's judiciary as an area of potential reform considering China's increasing interest in giving its cases a measure of precedential impact. Amicus briefs would ensure that third parties that might be affected by precedential cases would have an opportunity to be heard. An earlier effort to introduce the amicus system was discussed at a pioneering program in 2012 among the USPTO, the U.S. Court of Appeals for the Federal Circuit, Renmin University, and the China Law Society.¹⁷⁹

The Jordan case catalyzed other changes in Chinese trademark law.¹⁸⁰ In October 2019, the SPC designated the case as one of the top cases that demonstrated “fairness and justice” of the prior 70 years, that is, since the founding of the PRC.¹⁸¹ On December 24, 2019, the Supreme People's Court made a Christmas gift to Michael Jordan of designating this case as a quasi-precedential “guiding case.”¹⁸² In August 2020, the Beijing IP Court ruled against Qiaodan Sports on other trademarks in suit, limiting its bad faith registrations. On December 30, 2020, the penultimate blow was delivered by the Shanghai Second Intermediate People's Court ruling in favor of Michael Jordan against Qiaodan Sports over the use of Jordan's Chinese name. The court also ruled that Qiaodan Sports should publicly apologize in newspapers and the Internet to clarify the relationship between the parties; stop using “Qiaodan” in its corporate

178. Copy on file with the author.

179. See Mark Cohen, *China as an IP Stakeholder*, CHINA IPR (June 2, 2012), <https://chinaipr.com/2012/06/02/china-as-an-ip-stakeholder/> [<https://perma.cc/YSF4-K8TF>].

180. Mark Cohen, *Jordan/Qiaodan Trademark Case – Translation Now Available Here*, CHINA IPR (Dec. 15, 2016) <https://chinaipr.com/2016/12/15/jordanqiaodan-trademark-case-translation-now-available-here/> [<https://perma.cc/F6SJ-EMXE>].

181. Yao an shen li: zhang xian gong ping cheng yi de “gong kai ke” (要案审理：彰显公平正义的“公开课”) [*Hearing of important cases: “public classes” that demonstrates fairness and justice*], SUPREME PEOPLE'S COURT (Sept 12, 2019), <https://www.court.gov.cn/fabu-xiangqing-184072.html> [<https://perma.cc/CQY9-MME8>].

182. *China Guiding Cases Project*, STAN. L. SCH. (December 24, 2019), <https://cgc.law.stanford.edu/guiding-cases/guiding-case-113> [<https://perma.cc/ZVQ2-9VRY>].

name; stop using Qiaodan trademarks except for those that exceed the 5-year statute of limitations, in which case Qiaodan needs to indicate when using that there is no connection between Jordan and Qiaodan; and pay 300,000 RMB for emotional damages and 50,000 RMB for legal expenses (Michael Jordan did not seek compensatory monetary damages so the court only awarded emotional damages). Conforming changes were thereafter made in China's newly adopted Civil Code¹⁸³ as well as in expanded provisions regarding protection of good faith trademarks in trademark prosecution in the revised trademark law, as well as prohibitions against trademark agents engaging in malicious trademark prosecution. The continuing expansion of good faith principles has continued in the proposed revised trademark law, which also seeks to curtail malicious application and litigation behavior.

The 2019 revisions to China's Trademark Law established the basic legal tools that are currently being deployed in China's Blue Sky Campaign and have set the stage for planned additional amendments to China's trademark law. Article 4 of the revised Trademark Law (2019) provides that "any trademark application that is filed in bad faith and is not filed for the purpose of use shall be rejected." Article 7, which was found in the 2014 Trademark Law, requires that applications for trademarks and their use shall be made in good faith. It is now frequently cited in good faith trademark cases using other provisions of the law. Article 19 prohibits a trademark agent from filing a trademark in bad faith. Article 33 prohibits bad faith filings of applications. Article 33 of the Trademark Law offers an opportunity for anyone to object to a bad faith filing of a trademark within three months of a preliminary examination. In keeping with Chinese practice of regulating and disciplining agencies, Article 68.3 of the Trademark Law established monetary sanctions against trademark agencies and persons in charge of these agencies for violations of Article 4 and Article 19. The general principles set forth in Article 4 tie all these provisions together in 2019 and will likely continue to exercise a similar role in any future revision of the trademark law.

As an example of the implementation of these provisions, in a June 23, 2021 decision involving Bentley and its iconic Flying B logo trademarks, the Beijing Xicheng District Administration of Market Regulation (the local counterpart to SAMR) issued a warning and

183. See *Min fa dian* (民法典) [CIVIL CODE OF PEOPLE'S REPUBLIC OF CHINA] (promulgated by the National People's Congress), art. 1017, 2021, "Pseudonyms, stage names, online nicknames, translated names, identifiers, and abbreviations of names, among others, with certain social popularity, use of which by others is sufficient to cause public confusion shall be governed, *mutatis mutandis*, by the applicable provisions on the protection of rights of names"

imposed a fine of RMB 70,000 against a trademark agency that should have known that the trademark was being filed in bad faith, as CNIPA had already previously rejected over 200 trademark registrations involving that logo in 2019.¹⁸⁴

Unlike the United States system, which relies on “first use,” China has historically been a “first to file” trademark jurisdiction.¹⁸⁵ Prior to these amendments, Chinese trademark applicants claimed to be within their rights to file a trademark preemptively unless certain exceptions applied. Numerous foreign brands, such as Michael Jordan, learned late that they needed to file a trademark in China as soon as a new mark was developed, and that those registrations should be extended to Chinese language translations and anticipated new classes of use of the trademark. Chinese applicants were also obtaining trademarks without subsequent use of the mark or, in some cases, were warehousing foreign trademarks with the intent to exact ransom fees upon the legitimate holder. Newly proposed revisions on well-known marks and trademark use in the Trademark Law suggest that China’s orthodox adherence to “first to file” doctrines may be eroding in light of China’s commitments to support good faith trademark applications and oppose malicious actors who have filed for trademarks in advance of the legitimate owner without an intention to use the mark in commerce.

For China, one of the principle means of addressing bad faith filings is through administrative proceedings filed against the Chinese Trademark Office (“CTMO”). In an administrative case, a litigant sues the CTMO for granting or denying the registration of a trademark. These administrative cases do not ordinarily provide damages to a victim of bad faith filing. This case may thereafter be appealed to the Beijing IP Court. According to data from the Chinese firm IPHouse for the period from 2015-2021, 73% of all administrative cases involving Chinese trademark registrations filed in the Beijing IP court involved either filing large quantities of trademarks or filings that involved another party’s well-known trademark, both of which constituted “bad faith” types of conduct. The total number of cases was 873. The average number of trademarks

184. Haiyan Ren, *Fraudulent Trademark Filings From China: Origins, Strategies, and Ethics*, BERKELEY CTR. FOR L. AND TECH. (Oct. 11, 2022), <https://bcl.e.berkeley.edu/program?id=84994> [<https://perma.cc/83L3-74JL>]; see also *China IP Agency Fined US\$11,000 for Filing Copycat Bentley Trade Mark Applications*, MARKS & CLERK, <https://www.lexology.com/library/detail.aspx?g=de04ff68-16b2-41a5-8352-fe82e53aae59> [<https://perma.cc/5BX6-BQPX>] (last viewed on Dec. 27, 2022).

185. TRADEMARK LAW OF THE PEOPLE’S REPUBLIC OF CHINA, Art. 31 (2014), http://english.www.gov.cn/archive/laws_regulations/2014/08/23/content_281474983043626.htm [<https://perma.cc/V8UV-K6VK>].

involved in such “large quantity” cases during this period was 449, while the largest number of filings was 5,553.¹⁸⁶ These appeals from the CTMO also reflect long-standing Chinese efforts to rationalize Chinese trademark resources in the handling of administrative lawsuits by concentrating their appeals in one court with jurisdiction over such cases. By contrast, the Lanham Act in the United States, jurisdiction over matters involving prior trademark rights that are likely to cause confusion with an owner’s older mark are typically heard in the U.S. at one of the United States district courts.¹⁸⁷ The U.S. Court of Appeals for the Federal Circuit (CAFC) also retains part of that jurisdiction through appeals from the USPTO. The influence of the United States on China’s IP government agencies has become more pronounced over time. China’s specialized IP courts are themselves modeled in many respects on the U.S. experiment with America’s specialized appellate patent court, the CAFC.

CNIPA has not yet comprehensively addressed what role civil remedies may play in addition to public administrative disciplinary remedies in addressing the surge in bad faith applications. The Lanham Act’s remedies, by contrast, are disconnected from any disciplinary proceeding and rely upon awards of treble damages if an infringer was using a counterfeit of a U.S. trademark.¹⁸⁸

There are indications that China is seeking to draw a closer connection between disciplinary actions and civil liability. In 2021, *Emerson Electric Co. v. Wang Yiping et al.*, became the first case to recognize that bad faith trademark filing constituted a tort under China’s Anti-Unfair Competition law, for which Emerson could be compensated.¹⁸⁹ Emerson had spent over 1,000,000 RMB (about USD \$150,000) from 2010-2019 in filing over 70 generally successful opposition, invalidation, and administrative litigation actions. The Fujian Provincial High People’s Court confirmed a Xiamen Intermediate People’s Court ruling that awarded Emerson 1.6 million RMB to cover its damages and expenses, with 40% of this award to be paid by the

186. See Mark Cohen, *IP House “Research on the Overview and Dynamic Trend of Innovation Protection in China,”* BERKELEY CTR. FOR L. AND TECH., at 4:41 (June 13, 2022), https://drive.google.com/file/d/1n0rld-zBTDgCw_qma63UhZ4czFRjziXb/view?usp=sharing [https://perma.cc/MDJ4-9HX2].

187. Lanham Act, 15 U.S.C. § 1121 (1998).

188. Lanham Act, 15 U.S.C. § 1117 (2008).

189. *Emerson Electric Co. v. Wang Yiping et al.*, Min 02 Fujian High Court, *aff’g* *Emerson Electric Co. v. Wang Yiping*, Min Civil Second Instance Case N. 112 (2021), Xiamen Intermediate Court, Civil First Instance No. 149 (2021) (civil compensation for malicious litigation). Copies of these decisions are available from the author. No appeal was taken to the Supreme People’s Court of the *Emerson* case.

trademark agency. The applicant was ordered to cease filing any trademarks similar to the Emerson marks, and the trademark agency was ordered not to assist in filing the marks.

Ultimately, as the trademark agency did not pay Emerson damages as awarded, its legal representative was put on a blacklist through the social credit system to prohibit its purchasing “high consumption” items (限制高消费), which restricts an individual subject to judicial enforcement from taking air travel or 1st class trains, staying at “star-rated” hotels, renting high-end offices, etc.¹⁹⁰ No record of disciplinary actions against the trademark agency has yet been found through public databases. This linkage between disciplinary actions and social credit has now been proposed as an amendment to the Chinese trademark law (Art. 83).

While the availability of civil damages in addition to disciplinary measures could be an additional deterrent to bad faith conduct, the precedential impact of the Emerson case is difficult to determine. The case was never appealed to the Supreme People’s Court, where many quasi-precedential “guiding” cases are decided. The case was also not heard in Beijing, which normally hears appeals from CNIPA/CTMO and could otherwise have assessed how private damages could be used in addition to an administrative remedy against a bad faith trademark applicant. If, however, proposed Article 83 becomes law, the Emerson case may yet play a similar function in piloting civil remedies against bad faith trademarks, as did the Michael Jordan against bad faith trademark registrations.

C. China’s Past Practice of Addressing Bad Faith Patent Applications

Foreign companies, in the years following China’s WTO accession, raised concerns over patent “hijacking,” which was similar in many respects to bad faith trademark registrations. Hijacking involved toleration of bad faith utility model and design patent applications based on patent law provisions in effect from 2000-2008. The problem of “patent hijacking” arose due to: (a) China’s utility model or “petit patent” system and its design patent system did not require examination at the time of application against then-existing prior art; and (b) even if such

190. See *Zui gao ren min fa yuan guan yu xian zhi bei zhi xing ren gao xiao fei de ruo gan gui ding* (最高人民法院关于限制被执行人高消费的若干规定) [*Several Provisions of the Supreme People’s Court on Restricting High Consumption of Persons Subject to Enforcement*], SUPERIOR PEOPLE’S CT. (May 17, 2010, effective July 1, 2010). <https://flk.npc.gov.cn/detail2.html?NDAYODgxZTQ2MDAwZTI3OTAxNjAwMWNkNjhjZjBiYTE> [https://perma.cc/MEM2-4S4P].

examination were required later, China had adopted a system of “relative novelty.”¹⁹¹ Relative novelty required that a patent applicant in China need only demonstrate that a particular invention was new to China, and not new to the world. Moreover, the applicant and putative “inventor” need not have demonstrated that the invention was her own. She needed only to demonstrate that she was the first to file at the Chinese patent office, which was then called SIPO (State Intellectual Property Office). “Relative novelty” was removed from the Chinese patent law in 2008.¹⁹²

“Patent hijacking” closely resembles the current challenges faced by the USPTO, as it involved a premeditated effort to exploit gaps in an IP regime. Bad faith patenting activities, such as the plagiarizing of others’ utility models or design inventions with a possible goal of obtaining a local subsidy, were also being addressed by SIPO. Here is one example of an early disciplinary action:

Dalian Zhihui Patent Agency submitted 134 applications for a wedding sticker design patent, during Oct. 10-23, 2007. . . . It has been discovered that, out of the 134 design patent applications, 96 were found to have plagiarized works from others . . . [T]he Patent Agency breached its duty to the patent applicants by not informing them of the issues with their patent applications promptly. The Disciplinary Committee also found that the Patent Agency breached its duty for making egregious errors repeatedly in the same batch of applications. . . . [The] Agency:

1. Shall inspect approximately 800 design patent applications pending submission. Within 30 days, applications that patently plagiarize the designs of others shall be discarded, upon conferring with the applicant. Applications that contain the original designs/inventions of the applicants shall be preserved.
2. Reform and amend its inspection guidelines . . .
3. Cease accepting new clients for three months.

SIPO’s efforts to address disciplinary violations involving plagiarism and falsification of legal documents, with consequences in China for the applicant, the applications, and the client, were not that

191. PATENT LAW OF THE PEOPLE’S REPUBLIC OF CHINA, Art. 22 (2000).

192. PATENT LAW OF THE PEOPLE’S REPUBLIC OF CHINA, Arts. 22, 23 (2000); *see also* Mark Cohen, Tony Chen, Chiang Ling Li, Ann Chen & Benjamin Bai, *New Amendment will discourage patent hijacking cases*, CHINA DAILY (Nov. 9, 2009), https://www.chinadaily.com.cn/bw/2009-11/09/content_8930228.htm [<https://perma.cc/5SEL-G845>].

dissimilar from USPTO's disciplinary measures, including fines,¹⁹³ self-rectification (like suspended sentences or probation), and examination of previously filed applications by the disciplined party.¹⁹⁴ SIPO's efforts in suppressing bad faith patent applications were a useful pilot for the later efforts by CNIPA to address bad faith trademark applications. The possibility for cross-fertilization in patent and trademark disciplinary regimes became more possible when the CTMO and SIPO were merged into the new CNIPA in 2018. The merger of CTMO and SIPO was itself originally influenced by the role of the USPTO in combining patent, trademark, and IP policy functions.¹⁹⁵ It is likely that many local AMRs engaged in the Blue Sky Campaign are headed by individuals with a patent background. They have brought their patent experience, including their involvement with design patent applications, to IP Practitioner discipline involving trademarks. As Prof. Andrew Mertha has noted, "SIPO conforms . . . to the U.S. notion of what an inclusive intellectual property bureaucracy should be[.]" The current "Blue Sky" Campaign reflects an integrated approach to IP Practitioner discipline that is like the integrated efforts of OED, with jurisdiction over both patent and trademark matters.

D. Chinese Practice, Stage 2 – Subsidies, "Blue Sky" and More Parallel Practice

Notwithstanding these milestone achievements, there were also counter policy initiatives that would undercut these efforts. The origin of those efforts was the 2012 18th Communist Party Congress, which increased the importance of IP commercialization and not merely IP creation. Later, more granular policies underscored the commercialization of IP rights and the increasing importance of protecting IP overseas.¹⁹⁶

193. TRADEMARK LAW OF THE PEOPLE'S REPUBLIC OF CHINA, Art. 67 (2000) (Proposed revisions to the Trademark Law would impose fines of up to 250,000 RMB for malicious registration of a trademark).

194. Liao zhi guan zi Number 1 (辽宁省知识产权局惩戒决定书, 辽知管字 2007 (1) 号) [Punishment Decision of Liaoning Provincial Intellectual Property Office of February 29, 2007]. In another published decision, on January 22, 2015, the Tianjin Municipal IP Office in a decision of its Agency Management Office (Jinzhidaguan (2015) No.1), sanctioned the Tianjin Binhaikewei Intellectual Property Agency Company (天津滨海科纬知识产权代理有限公司) for falsifying the names of the principals of an applicant for 29 patent applications and its legal representative. The disciplined agency was fined an unspecified amount and ordered to correct its past filings. Both decisions are available from the author.

195. MERTHA, *supra* note 18, at 108.

196. Guo wu yuan guan yu xin xing shi xia jia kuai zhi shi chan quan qiang guo jian she de ruo gan yi jian (国务院关于新形势下加快知识产权强国建设的若干意见) [*State Council Decision on "Opinions on Acceleration China Becoming a Strong IP Country Under the New Circumstances"*],

One of the most significant measures that implemented these policies involved China's accelerating subsidization of trademark applications, which undermined the practical consequences of an emerging new approach to bad faith trademark registration.

In July 2019, the USPTO identified 77 Chinese national and subnational trademark application subsidy programs, including programs that subsidized overseas trademark applications. The July 2019 research on trademark subsidies was discussed publicly in USPTO's January 2021 report *Trademarks and Patents in China: The Impact of Non-Market Factors on Filing Trends and IP Systems*.¹⁹⁷ USPTO noted that these subsidies resulted in a "surge in fraudulent trademark applications originating in China." The example of the subsidies provided by the important tech hub of Shenzhen in Guangdong province were underscored:

In 2013, Shenzhen issued operating procedures that allowed applicants to seek a subsidy of RMB 5,000 (approximately \$750) for trademark registrations in eligible foreign countries, including the United States. After the USPTO lowered the fee for its lowest-cost, fully electronic applications to \$225 in 2015, the cost to file at the USPTO was substantially lower than the amount of the subsidy. In four years (fiscal years 2013–2017), U.S. trademark filings from China increased by 1,264 percent, with applications from Shenzhen accounting for more than 42 percent of applications from China in fiscal year 2017.¹⁹⁸

The January 2021 report also served as an important catalyst for U.S. government policies to address the fraudulent activities associated with many subsidized trademark applications. In addition, shortly after the PTO report was published in January 2021, President Xi Jinping published an earlier non-public speech in which he emphasized that China needed to pursue higher quality intellectual property rights. Party Secretary Xi specifically stated that "the overall quality and efficiency of intellectual property rights is not high enough, nor are there enough high-quality and high-value intellectual property rights" ("知识产权整体质量效益还不够高，高质量高价值知识产权偏少").¹⁹⁹ While certain

State Council (Dec. 18, 2015, effective Dec. 22, 2015), Guofa [2015] 71, http://www.gov.cn/zhengce/content/2015-12/22/content_10468.htm [https://perma.cc/4VCX-6GYW].

197. *Trademarks and Patents in China: The Impact of Non-Market Factors on Filing Trends and IP Systems*, USPTO (Jan. 13, 2021), <https://www.uspto.gov/sites/default/files/documents/USPTO-TrademarkPatentsInChina.pdf> [https://perma.cc/E9L8-GFJH].

198. *Id.* at 4.

199. Xi Jinping, *Quan mian jia qiang zhi shi chan quan bao hu gong zuo ji fa chuang xin huo li tui dong gou jian xin fa zhan ge ju* (全面加强知识产权保护工作

policies remained, it appeared that the era of extensive IP subsidization would be coming to an end.

Much of the harm, however, had already been done by the time China decided to focus on quality. Chinese trademark filings had already increased dramatically since a decade earlier, unethical Chinese actors had recognized that they could arbitrage the high subsidy and low application fees through keeping U.S. attorney fees low, and Chinese policies had begun to impose significant burdens on PTO's Trademark Office and OED, as well as on CNIPA itself.

Previously legislated provisions in China, such as the revisions to China's Trademark Law, set the stage for the attorney disciplinary Blue Sky Campaign against fraudulent IP Attorney activities in the March 2021 Rules. These efforts were supplemented by additional rules regarding trademark agencies in November 2021.²⁰⁰ This campaign was extended for an indefinite time in the March 2022 Rules with reference to China's plan for building a powerful IP economy.²⁰¹ The March 2021 Rules took Chinese efforts to address bad faith registrations several steps further, including intensifying disciplinary measures but also addressing root causes such as subsidies and performance metrics, many of which are also reflected in the proposed revisions to the Trademark Law:

In the in-depth implementation of the "Blue Sky" special rectification action, the crackdown on trademark agents engaging in malicious trademark squatting shall be intensified. . . . The number of trademark applications shall be resolutely eradicated as the main basis for the performance evaluation of the department. Comparing the number of trademark applications with each other shall be avoided. The application for trademark registration (including international registration of Madrid trademarks) shall not be supported in any form such as financial aid or awards. (Sec. 3.4).

激发创新活力推动构建新发展格局) [*Comprehensively Strengthen Intellectual Property Protection, Stimulate Innovation and Promote the Construction of a New Development Pattern*], QIUSHI (Jan. 31, 2021), http://www.qstheory.cn/dukan/qs/2021-01/31/c_1127044345.htm [<https://perma.cc/STUH-JE8Y>].

200. Shang biao dai li jian du guan li gui ding (商标代理监督管理规定) [*Provisions on Administrative Regulation of Trademark Agency*], STATE ADMIN. FOR MARKET REGUL. (Oct. 27, 2022, effective Dec. 1, 2022) Guo jia shi chang jian du guan li zong ju ling (国家市场监督管理总局令), 63, http://www.gov.cn/zhengce/2022-11/01/content_5723492.htm [<https://perma.cc/94ET-34BY>].

201. Guo jia zhi shi chan quan ju guan yu chi xu shen hua zhi shi chan quan dai li hang ye "Lantian" zhuan xiang zheng zhi xing dong de tong zhi (国家知识产权局关于持续深化知识产权代理行业"蓝天"专项整治行动的通知) [*Notice of the State Intellectual Property Office on Continuously Deepening the "Blue Sky" Special Rectification Action of the Intellectual Property Agency Industry*], CNIPA (Mar. 31, 2022), Guozhi Fa [2022] No. 46, https://www.cnipa.gov.cn/art/2022/3/31/art_75_174340.html [<https://perma.cc/CS7Q-ALUV>].

This March 2021 Rules also encompassed an important public awareness component:

Publicity education shall be strengthened. Publicity shall be carried out throughout the special action to effectively create deterrence. Attention shall be paid to publicizing, in a timely manner, the progress and results achieved in combating malicious trademark squatting. ... Typical cases of malicious trademark squatting and illegal individuals, enterprises and agencies shall be published. The intention of legislation shall be clarified. Social concerns shall be responded to, and lawbreakers shall be deterred, so as to create a good intellectual property legal environment, market environment and social environment for various market entities to compete fairly, carry out innovation and consciously resist malicious trademark squatting. (Sec. 3.5)

The March 2021 Rules requirement to publish “typical cases” is not the same as transparent publishing of all cases. A significant deficiency of the Blue Sky Campaign remains a lack of transparency. One database provider has collected several administrative decisions published by local authorities. The source of these decisions is not known. Moreover, the vast reach of China’s administrative enforcement mechanisms makes it difficult to judge how comprehensive any one database is in collecting punishment decisions.²⁰² Unlike the U.S. system, there are few court cases regarding disciplinary actions and IP practitioners rarely sue the government for disciplinary actions against them.

As with USPTO, CNIPA is also looking to strengthen its ability to use information tools to identify these improper filings and address risks. The March 2021 Rules identify such tools as “information technology and other technical means, strengthening the analysis of patent and trademark application data and the monitoring of illegal agency clues.” (Sec. 1). Misuse of financial aid (subsidies) was also addressed: “Those suspected of defrauding financial aid shall be transferred to relevant departments for criminal responsibility according to law.” (Sec. 3.4) Another focus appears to be UPL “for unqualified patent agency activities.” When such illegal activities are discovered, the illegal income “shall be strictly determined in accordance with the relevant provisions of the Administrative Penalty Law, and the acts of acting as an agent for

202. Wolters Kluwer Database, *supra* note 62. The materials are accessible through <https://law.wkinfo.com.cn/administrative-punishment/list> [<https://perma.cc/SL2J-2J9V>], which is not apparent on the directory of the website for those accessing from outside China. There are 21,761,825 administrative punishment decisions, of which only 11,390 have been identified as involving IP agencies, of which 154 had the Chinese terms for “bad faith” (恶意) in their decision (last referenced Dec. 24, 2022).

abnormal applications . . . shall be punished as serious punishments and given high multiples or maximum fines in accordance with laws and regulations.” (Sec. 1). Many of these efforts find parallel measures in USPTO’s enforcement campaign.

Another recent example of parallel enforcement approaches is found in the proposed revised amendments to China’s patent examination guidelines (Oct 31, 2022), which provide that “examiners shall file a notice of expungement against those who violate good faith procedures” (Art. 6.7.5). This use of expungement tools by examiners mirrors U.S. trademark procedures²⁰³ that granted enhanced authorities for examiners to expunge fraudulent marks under the Trademark Modernization Act and may also constitute one form of “parallel play” from U.S. trademark practice to Chinese trademark practice and now to Chinese patent practice, based on bilateral parallel campaigns.²⁰⁴

The proposed revisions to the China Trademark Law similarly underscore the need to “cultivate reputable trademark brands” (Art. 91), incorporate trademark branding into “relevant plans for national economy and social development” (Art. 92), and “promote the realization of trademark brand value” (Art. 93). At the same time the patent office had learned from the trademark office to increase the role of “good faith” by patent applicants as a tool to advance patent quality.²⁰⁵ This focus on trademark value and quality in the proposed revised trademark law appears to have been another instance of the China Trademark Office and Chinese Patent Office engaging in policy cross-fertilization. In this case, the goal was to improve the overall quality of registered rights, decrease reliance on subsidies and decrease malevolent behavior.

Today economic factors such as the growth of e-commerce, the lowered costs of U.S. trademark applications, any outstanding subsidies or incentives to filing trademarks overseas, all portend continuing challenges for the USPTO, including possible budgetary impacts. In an ideal world, it could be hoped that China and the United States might

203. *USPTO implements the Trademark Modernization Act*, U.S. Pat. and Trademark Off., <https://www.uspto.gov/trademarks/laws/2020-modernization-act> [<https://perma.cc/P5HJ-K4J3>].

204. Guan yu jiu “Zhuan li shen cha zhi nan xiu gai cao an (zai ci zheng qiu yi jian gao)” Gong kai zheng qiu yi jian de tong zhi (关于就《专利审查指南修改草案（再次征求意见稿）》公开征求意见的通知) [*Notice for accepting public comments on the draft patent examination guidelines*], CNIPA (Oct. 31, 2022), https://www.cnipa.gov.cn/art/2022/10/31/art_75_180016.html [<https://perma.cc/95PL-AVJW>].

205. According to the 2021 USPTO Report, CNIPA and the State Council issued a directive to SOEs to increase by 50% Chinese trademark filings under the Madrid Protocol. *See also* Mark Cohen, *CNIPA’s Notice on Cancelling Patent Subsidies: A Deeper Dive*, CHINA IPR (Feb. 15, 2021), <https://chinaipr.com/2021/02/15/cnipas-notice-on-cancelling-patent-subsidies-a-deeper-dive/> [<https://perma.cc/K5MC-8CXH>].

engage in similar cross-fertilization practices, rather than parallel conduct to address these shared challenges.

E. The First U.S. Counter-Measure – The Domestic Counsel Rule

The first wave of identified fraudulent practices by USPTO occurred around 2017. At that time, Professors Beebe and Fromer identified approximately 28,585 fraudulent trademarks originating that year from China.²⁰⁶ These typically involved fraudulent specimens to prove use in commerce. Many of these fraudulent filings involved applicants who engaged third-party companies to file fraudulent trademarks. CNIPA's own efforts in addressing "forgery and alteration of official documents," noted above, were in many respects similar to USPTO's focus at that time.

The companies engaged in fraudulent applications typically also set up USPTO Trademark Electronic Application System ("TEAS") operating accounts, charged USPTO fees on one credit card or account (which were often traceable through their addresses), and engaged in other account and communication practices that constituted "practicing before the office" or otherwise supporting or engaging in UPL under USPTO rules. Their motivations were clear: to maintain a pro-se-file to avoid hiring U.S. counsel.

If USPTO found out at that time that the person wasn't an attorney, the Trademark Office would issue an exclusion order excluding them from practice. This was a meaningless sanction against an overseas actor in most cases.²⁰⁷

In an additional step effective August 3, 2019, foreign-domiciled trademark applicants, registrants, and parties to Trademark Trial and Appeal Board proceedings were required to be represented at the USPTO by an attorney who is licensed to practice law in the United States. The rule essentially provided reciprocal treatment for U.S. applicants for trademarks to China, which normally require a Chinese trademark practitioner to prosecute the mark.²⁰⁸ The Federal Register notice for the

206. Barton Beebe & Jeanne C. Fromer, *Fake Trademark Specimens: An Empirical Analysis*, 120 COLUM. L. REV. F. 7 (2020), <https://columbialawreview.org/content/fake-trademark-specimens-an-empirical-analysis/> [<https://perma.cc/K3DF-4BV2>].

207. Mary Boney Denison, *Exclusion Order of Emilie Bo*, U.S. Pat. and Trademark Off. (Nov. 23, 2016), https://www.uspto.gov/sites/default/files/documents/Exclusion_Order-Emilie_Bo.pdf [<https://perma.cc/SQ2N-SVC4>] (English language), and https://www.uspto.gov/sites/default/files/documents/Exclusion_Order_EmilieBo_Chinese.pdf [<https://perma.cc/U6U4-F4E3>] (Chinese language) [hereinafter *Emilie Bo Exclusion Order*].

208. WTO, Council for Trade-Related Aspects of Intellectual Property Rights, Review of Legislation (Sept. 10, 2002) Doc # 02-4736, IP/C/W/374, ¶131.

proposed Domestic Counsel rule stated that the rule was necessary due to the limits of USPTO jurisdiction over UPL claims:

The threat of a claim of UPL has not been equally effective with foreign applicants and the unqualified foreign individuals, attorneys, or firms advising them. Although the USPTO investigates possible UPL by such foreign parties, because these parties are not practitioners authorized to practice before the USPTO, the absence of any realistic threat of disciplinary action has impeded the USPTO's efforts to deter foreign parties from engaging in UPL or violating a USPTO exclusion order. In addition, while the USPTO can send a letter to a foreign government regarding the USPTO's exclusion order, foreign government officials have great discretion regarding whether to pursue further sanctions against their own citizens.²⁰⁹

USPTO's frustration with the UPL claims may justify the limited number of disciplinary cases brought against foreign counsel or consultants by OED at this time. There is, however, no indication on the record that USPTO had previously aggressively pursued sanctions directly, through diplomatic means, or through reciprocal actions or other mutual legal assistance agreements involving bilateral cooperation.

UPL, as defined by the ABA Model Rules, is intended to "protect the public against the rendition of legal services by unqualified persons."²¹⁰ USPTO's efforts have a different focus. They are instead intended to protect the integrity of the trademark registry. The rule is intended to create "a well-functioning trademark system" where "the trademark register should accurately reflect trademarks that are currently in use." It also indirectly should "have the benefit of generally reducing costs to applicants, registrants, and other parties and providing greater value to consumers who rely on registered marks."²¹¹

If the USPTO had primarily intended to protect the public, it should have aggressively reached out to Chinese clients "victimized" by this UPL. Instead, as Profs. Beebe and Fromer have noted, legislation was needed to "make it easier for third parties and the PTO to cull these marks from the register and systematic improvement by the PTO to ensure that applications with fraudulent specimens are not registered in the first instance."²¹² Impact on those clients who may have been innocent of these

209. 37 C.F.R. §§ 2, 7, and 11 (July 2, 2019).

210. MODEL RULES OF PRO. CONDUCT r. 5.5 cmt. (AM. BAR ASS'N 2019).

211. REQUIREMENT OF U.S. LICENSED ATTORNEY FOR FOREIGN TRADEMARK APPLICANTS AND REGISTRANTS, 84 FED. REG. 31,498 (July 2, 2019).

212. Barton Beebe & Jeanne C. Fromer, *Fake Trademark Specimens: An Empirical Analysis*, 121 COLUM. L. REV. F. 121 (2020).

scams was not a factor to be considered, nor has it appeared in USPTO policy statements or enforcement actions.

An example of how the domestic counsel rule worked in practice is the case of Tony Hom, a U.S. attorney who circumvented the rules that permitted pro se filings by foreign applicants and the later domestic counsel rule by permitting the unauthorized practice of law by his affiliates in China, which resulted in approximately 13,000 trademark filings. According to the USPTO record, 2,000 trademarks were filed before the domestic counsel rule came into effect. Eleven thousand more trademark applications were filed after July 3, 2019. Seven thousand trademarks were filed in 2020. OED also noted that in some cases, the specimens filed by Hom as alleged proof of use appeared to be identical to other specimens for different applicants for different marks that were also filed by him—sometimes within days of one another. Hom was suspended from practice for two years.²¹³

The OIG Report found that “creation of the US counsel rule did not prevent the submission of digitally altered or mocked-up specimens. Examining attorneys refused specimens because they were digitally altered or mocked up at a similar rate for both unrepresented applicants and for those represented by an attorney.” OIG noted that it “would expect a lower rate of submission of digitally altered or mocked-up specimens from represented applicants if the U.S. Counsel rule incentivized accurate applications.”²¹⁴ The OIG Report also found that digitally altered or mocked-up specimens were submitted by a small number of attorneys. Five attorneys filed twenty percent of these applications, despite accounting for only six percent of the applications received.²¹⁵ Additional measures, including an appropriate risk-reduction strategy, were required to protect USPTO’s interests.

F. The Second U.S. Counter-Measure – Regulating, Countering Fraud, and the TMA

A second wave of fraudulent trademark filings occurred from approximately early 2018 to early 2019. During this period, USPTO was also inundated with requests for duplicate registrations that were likely necessary for obtaining TM subsidies in China. After the domestic counsel rule came into effect, numerous trademark practitioners were

213. *In re Tony C. Hom*, Dec. Comm’r Pat., Proceeding No. D2021-10 (Dec. 17, 2021), Final-Order-(D2021-10)-(Hom)-Redacted.pdf (uspto.gov) [<https://perma.cc/FPS5-TZL5>].

214. OIG Report, *supra* note 80, at 5.

215. *Id.*

contacted to see if they could sponsor Chinese companies applying for trademarks in the U.S.²¹⁶

In February 2020, the USPTO began requiring each applicant to provide its own e-mail address, in addition to the registering attorney's e-mail address, to track the identity of the trademark applicant and reduce risks of circumvention. Nonetheless, Chinese applicants or their representatives continued to seek ways to file fraudulently. In one remarkable email from March 12, 2022, the entity seeking local counsel made it clear that it wanted its account to be sufficiently whitewashed, i.e., represented by a white attorney. In a recent presentation in Washington, D.C., OED Director Will Covey presented this slide of a solicitation seeking a "letterhead" lawyer who is "not of Chinese descent," "of white skin" who would satisfy the U.S. domestic counsel rule and would lend its USPTO payment account.²¹⁷

216. AIPLA CONFERENCE MATERIALS, SESSION ON "TRADEMARKS AND TRADEMARK ETHICS," STATEMENT OF STEPHANIE H. BALD, "TRADEMARK EXPUNGEMENT AND REEXAMINATION UNDER THE TRADEMARK MODERNIZATION ACT (TMA) - WHAT WE HAVE LEARNED IN THE FIRST 10 MONTHS" (Oct. 28, 2022), <https://events.rdmobile.com/Sessions/Details/1516011/> [hereinafter "AIPLA CONFERENCE"], and Bald & Christenson, *supra* note 160.

217. AIPLA CONFERENCE, *supra* note 216, PRESENTATION OF WILL COVEY, "ETHICS UPDATE: PROFESSIONAL RESPONSIBILITY AND PRACTICE BEFORE THE USPTO IN TRADEMARK MATTERS," COVEY SLIDES AT 15.

U.S. counsel rule – solicitation

美标源头律师合作，非华人律师

1 message

US_Trademark_Agent <[REDACTED]>

Sat, Mar 12, 2022 at 2:23 AM

Reply-To: [REDACTED]

To: [REDACTED]

您好，

初步沟通后，可提供美国白皮律师（非华人）商标方案如下：

*符合4月9日新规，USPTO律师实人认证；

*可协助OBJ制作（律师助手子账号操作）；

*使用USPTO Payment Account支付商标官费；



An additional set of steps took place pursuant to the Trademark Modernization Act (“TMA”) in December 2020. Regulations implementing the TMA were enacted in December 2021.²¹⁸ Pursuant to the TMA, USPTO was provided with new mechanisms for identifying and rejecting fraudulent applications, and for terminating preexisting registrations where marks are not used in commerce in connection with goods or services. New practices included: (1) new USPTO proceedings for expunging registrations, and (2) ex parte and office-initiated proceedings against fraudulent trademarks. Under these rules, if the USPTO meets its *prima facie* burden of showing that the mark was not used in commerce, the burden shifts to the trademark applicant to prove its use of the mark to avoid cancellation. In addition, USPTO launched a separate website to address fraudulent TEAS accounts.²¹⁹ The USPTO is also expected to make a new database available encompassing TMA cases.

218. CHANGES TO IMPLEMENT PROVISIONS OF THE TRADEMARK MODERNIZATION ACT OF 2020, 86 FED. REG. 64300, 64301 (PROPOSED NOV. 17, 2021) (TO BE CODIFIED AT 37 C.F.R. PTS. 2, 7).

219. *USPTO suspends accounts engaged in foreign sponsorship scam*, U.S. PAT. AND TRADEMARK OFF. (Oct. 3, 2022), <https://www.uspto.gov/subscription-center/2022/uspto-suspends-accounts-engaged-foreign-sponsorship-scam> [https://perma.cc/Z2HP-WZ28].

The results to date have not demonstrated that TMA proceedings will address its problem of fraudulent filings.²²⁰ TMA cases have numbered in the low hundreds, which is hardly enough action to address the tens of thousands of allegedly fraudulent marks identified by OED and the Commissioner of Trademarks in their respective disciplinary actions. However, the data is inconclusive as the TMA is still quite new.

During this period, one large scale fraudulent trademark disciplinary action did demonstrate that there is potential for cooperation with China in addressing fraudulent filings. On December 10, 2021, OED issued an Order for Sanctions based on the response to an Order to Show Cause issued by the Commissioner for Trademarks on June 8, 2021, involving Yusha Zhang and Shenzhen Huanyee Intellectual Property Co., Ltd. (深圳市寰逸知识产权有限公司). Yusha Zhang is described as the “Executive Director” of Shenzhen Huanyee Ltd.²²¹ Shenzhen Huanyee is a China-registered Trademark Agency that “specializes in domestic and foreign intellectual property matters.” It had filed over 15,000 fraudulent trademarks. The firm and its principal were determined by OED to have been involved in the unauthorized practice of law, because it was engaged in conduct that “contemplated” practice before the office:

Despite being unauthorized to practice before the USPTO in trademark matters, Respondents engaged in such practice by counseling and advising clients in contemplation of filing trademark applications and other documents before the USPTO.

Following past practice, OED also described specific overt acts in addition to the contemplated trademark filings, including obtaining TEAS accounts,²²² providing false domicile information for applicants, impermissibly entering the signature of the named signatory on

220. Of the 81 instituted cases under the TMA from January 2022 until October 2022, there have been 20 final determinations, at least 15 of which resulted in cancellation or partial cancellation of the challenged registration. Bald & Christenson, *supra* note 160.

221. The term is imprecise, as it appears that she was the Managing Director of a Limited Liability Company.

222. “Individuals who are not U.S. licensed attorneys may not, on behalf of others, (1) give advice to an applicant or registrant in contemplation of filing a U.S. trademark application or application-related document . . .” (p. 3); and “Despite being unauthorized to practice before the USPTO in trademark matters, Respondents engaged in such practice by counseling and advising clients in contemplation of filing trademark applications and other documents before the USPTO” (p. 4).

declarations and verifications, and violating other USPTO Rules and the USPTO's website terms of use.²²³

The case is one of the rare OED cases directed at the Chinese source of these fraudulent filings, which in this case was a legitimate Chinese trademark agency. The Chinese trademark agency also sought to avoid having the case made public by the USPTO, perhaps because of concerns over possible repercussions to it in China. The Final Order for Sanctions has also been described by OED as “precedential.”²²⁴

While this case was under consideration at USPTO, USPTO and CNIPA exchanged information to support a parallel action by China. In an event hosted by the Berkeley Center for Law and Technology, USPTO Senior Director for China Michael Mangelson indicated that the USPTO had cooperated with CNIPA in conducting this investigation.²²⁵ CNIPA's actions were not based on a finding by the PTO or a request for law enforcement cooperation. CNIPA took pains to announce at a press conference²²⁶ that its action was taken in advance of USPTO in a press conference in China of January 12, 2022:

ThePaper.cn:

In December of last year, the United States Patent and Trademark Office (USPTO) imposed sanctions against a trademark agency in Shenzhen, invalidating more than 15,000 trademarks the agent filed. What is your comment on the U.S. sanctions? Is there any problem with the agency?

...

Lei Xiaoyun:

...

As for the Shenzhen-based agency you just mentioned, during a special crackdown campaign last year, the trademark law enforcing department imposed administrative penalties on the agency and its person in charge

223. *In re Yusha Zhang and Shenzhen Huanyee Intellectual Property Co., Ltd.*, DEC. COMM'R TRADEMARK (Dec. 10, 2021), <https://www.uspto.gov/sites/default/files/documents/TM-Sanctions-Order-Yusha-Zhang.pdf> [<https://perma.cc/W3FX-W48K>].

224. *Id.* at 1. Note that the top of the decision states “This Order is Citable as Precedent.”

225. Haiyan Ren BCLT Presentation, *supra* note 152.

226. Guo xin ban ju xing 2021 nian zhi shi chan quan xiang guan gong zuo tong ji shu ju fa bu hui (国新办举行2021年知识产权相关工作统计数据发布会) [*SCIO press conference on data concerning intellectual property in 2021*], THE STATE COUNCIL INFO. OFF. PEOPLE'S REPUBLIC OF CHINA (Jan 12, 2022), <http://www.scio.gov.cn/xwfbh/xwfbfh/wqfbh/47673/47698/index.htm> [<https://perma.cc/WT5T-UELZ>].

for false advertising and using illegal means to solicit business in China.²²⁷

CNIPA also noted that:

[M]edia outlets and experts have made objective analyses on the steady growth of trademark applications in the United States from Chinese applicants. Most of them believe that the rapid increase in trademark applications in foreign countries is mainly because the rapid development of China's cross-border e-commerce, which has pushed more Chinese products to meet the sales requirements of Amazon and other e-commerce platforms in the United States.

CNIPA thereby publicly declined to explicitly acknowledge that USPTO had determined that Shenzhen Huanyee was engaged in fraudulent activities in the United States.

The Chinese case was reported to have been decided and published on September 14, 2021, which is before the USPTO Order for Sanctions and after the Order to Show Cause. The decision cited Article 68 of the revised Trademark Law which authorizes administrative penalties for trademark agencies found to be in violation of Article 4 of the Trademark Law. The determination was based on the agency's sales activities and other activities of unfair competition that disturbed the market order. The agency was given a fine of 90,000 RMB and a warning.²²⁸ The fine is equal to approximately 1 USD for each of the 14,000 trademarks that the Chinese press reported as filed in the United States, which is less than many other sanctions in view of the quantity of the filings.²²⁹ In addition,

227. *Id.* at section 7. For an English transcript of the conference, see http://english.scio.gov.cn/pressroom/2022-01/14/content_77989778_7.htm [<https://perma.cc/WQZ7-EX4C>].

228. 深市监处罚, (统一社会信用代码) [search for Huanyee's Social Credit Number 91440300MA5DANL68Y], SHENZHEN AMR (2021) 165 号, <https://amr.sz.gov.cn/xyjggs.webui/xyjggs/index.aspx> [<https://perma.cc/6XRB-THJT>]. See also article by "Ivy" of Shenzhen Zhiyuan Trademark (深圳知元商标), 跨境电商卖家们, 请速查自己的美国商标有没有被撤销 (Kua jing dian shang mai jia men, qing su cha zi ji de mai guo shang biao you mei you bei che xiao) [*Cross-border e-commerce sellers, please quickly check whether your US trademark has been expunged*], CHIRAM (Dec. 17, 2021), <http://www.chiram.com/View/article?ac=ynd5paduie&cc=xinwenpindao&tp=article2> [<https://perma.cc/Y67Y-KFH9>].

229. See *US Dollars to Chinese Yuan*, DOLLARFX.ORG (9/14/2021), <https://www.dollarfx.org/Chinese-Yuan/2021-09-14> [<https://perma.cc/6W8Y-X2PM>] (dollar exchange rate of 1 USD to 6.439 RMB = 13,977 Chinese trademarks, or about \$1.00 fine per trademark).

there have reportedly been civil lawsuits since filed against the Trademark Agency; however, I do not have a copy of any final decision at this time.²³⁰

V. FURTHER SOLUTIONS TO THE PROBLEM

USPTO is dedicated to addressing escalating fraudulent trademark applications and practices that primarily originate from China and other countries. While various solutions have helped in making some progress, the problem has nonetheless continued to grow.

Attorney disciplinary measures, including UPL claims, may not be a substitute for measures taken to address systemic problems such as are fomented by subsidized trademarks, brand registry programs, and opportunistic and inexpensive overseas trademark consultancies engaged in UPL. UPL claims have long been used to ensure address this kind of low-cost arbitrage between markets, with limited success. As Prof. Llewellyn wrote in 1938, in a different set of circumstances:

No war on unauthorized practice, however well conducted, is going to accomplish soon, if at all, what most of the fighters in the trenches hope from it, nor yet what the generals may be hoping. That is no reason at all for not moving into battle; existence is at stake.²³¹

The USPTO today faces difficult challenges: UPL claims from overseas actors that may be subsidized by their national governments that are outside the scope of meaningful U.S. sanctions, and low-cost barriers to entry for unscrupulous trademark applicants and their consultants. Moreover, these actions are occurring at a time of heightened bilateral tension that reduces the prospects for bilateral cooperation, especially in addressing systemic issues.

I have outlined below several complementary actions that can be taken in addition to current disciplinary actions. These include alternatives to attorney discipline, such as increasing application fees and improving attorney regulation, and enhanced CLE programs and improving instructions on IP-related legal ethics. Additional regulatory steps include establishing new choice of law rules and enhancing USPTO's role in international disciplinary matters. In addition, USPTO may also wish to

230. See generally 倪伟钢 vs 深圳市寰逸知识产权有限公司, [Ni Weigang v. Shenzhen Huanyee Intellectual Property Co., Ltd] (2022) 浙0109民初2, 700号 (2022-02-28), 杭州市萧山区人民法院 [Hangzhou Xiaoshan Primary People's Court], <https://xiaoshan.zjcourt.cn/col/col1221337/index.html>.

231. K. N. Llewellyn, *The Bar's Troubles, and Poulitices—and Cures?*, 5 L. & Contemp. Probs 104, 132 (1938).

request that USTR pursue trade related remedies such as a WTO case involving Chinese subsidization of trademarks.

A. USPTO Alternatives to Attorney Discipline

There are certain non-disciplinary means that can be used to deter fraudulent applications. One means would be to increase initial application costs. This step would likely be controversial as trademark applicants tend to be price-sensitive, with increases in fees resulting in a decreased use of the trademark system. It could also increase the barriers to entry to small businesses to obtaining a trademark.²³² Nonetheless, an application fee increase could also avoid the problem of deferral of trademark examination costs in the USPTO budget. Another alternative is a higher cost, refundable trademark application fee. Such a fee structure could mitigate the impact on smaller businesses, including legitimate Chinese enterprises. The refund could occur after the trademark has approved and published the trademark, after a response to any office actions, or at another appropriate milestone. Alternatively, trademark practitioners may be able to post a bond to offset these potential costs to the USPTO.

Another solution would be finding creative ways of addressing the brand registry demands of online platforms. For example, trademarks might be made available for short-term immediate use in commerce, which would require immediate ex-post proof of usage and expire within a certain period unless converted, for a fee, into a traditional trademark. China's proposals to monitor use of trademarks by applicants on a periodic basis may provide a useful model for USPTO to consider if it wishes to launch a sui generis online trademark system.

Civil enforcement and hot-line information sources may also be helpful alternatives to attorney discipline. Where fraudulent specimens are involved, anyone can send an email to TMSpecimenProtest@uspto.gov, and the USPTO will then investigate the issue. However, USPTO has not yet provided data on the success of this program. This can be a less involved and less expensive option if the trademark is of concern to a third party. Similar hotlines are also available in the Blue Sky Campaign.

232. STATEMENT OF JENNIFER CHICOSKI, U.S. PAT AND TRADEMARK OFF., BERKELEY CTR. FOR L. AND TECH. ROUNDTABLE, USPTO 'S BATTLE AGAINST FRAUDULENT TRADEMARK FILINGS FROM CHINA: ORIGINS, STRATEGIES AND ETHICS AT 32:00 (Oct. 11, 2022), <https://bk.webcredenza.com/program?id=84994> [<https://perma.cc/LX4M-A7ZU>].

B. *IP Practitioner Regulation and Discipline*

USPTO might wish to consider establishing a mandatory professional trademark bar with an active registration process and continuing legal education requirements.²³³ Efforts should continue to educate both U.S. bar members and Chinese applicants on ethical challenges that they may face based on USPTO's experience to date. USPTO might also provide updated Chinese language materials on the USPTO's website and U.S. embassy/consulate websites regarding trademark application procedures.²³⁴ Updated materials²³⁵ might also be translated into Chinese.²³⁶ Additional professionalization of IP Attorneys and support for their role in legal practice should be a goal of OED.²³⁷

Domestically, a voluntary CLE program for practitioners has been delayed from Spring 2022 to November 1, 2024, and is long overdue.²³⁸ There are currently no USPTO admission requirements to practice trademark law other than to be admitted to a state bar. This low barrier to entry may also encourage informality or, as one ethics practitioner describes it, "dabbling," which could lead to a "nightmare of OED ethics investigations," including reciprocal discipline and malpractice risks.²³⁹

233. *USPTO seeks public feedback on initiatives to expand opportunities to practice before the agency*, U.S. PAT. AND TRADEMARK OFF. (Oct. 17, 2022), <https://www.uspto.gov/about-us/news-updates/uspto-seeks-public-feedback-initiatives-expand-opportunities-practice-agency> [https://perma.cc/LR5D-2MTY].

234. 保护你的商标 (bao hu ni de shang biao [*Protect Your Trademark*]), U.S. PAT. AND TRADEMARK OFF., <https://www.uspto.gov/sites/default/files/documents/Basic%20Facts%20Chinese%20Simplified.pdf> [https://perma.cc/5MRJ-36ZJ] (last viewed on Dec. 26, 2022).

235. See *Emilie Bo Exclusion Order*, *supra* note 207.

236. See, e.g., *Representation, signatures, and ethical issues in trademark cases*, U.S. PAT. AND TRADEMARK OFF. (Dec. 10, 2020), <https://www.uspto.gov/learning-and-resources/uspto-videos/representation-signatures-and-ethical-issues-trademark-cases> [https://perma.cc/K8S7-JGFV].

237. See "Quan guo zhuan li dai li hang ye fa zhan zhuang kuang (2021)" Xian xi wo guo zhuan li dai li hang ye fa zhan ping wen you xu (全国专利代理行业发展状况 (2021年)) 显示: 我国专利代理行业发展平稳有序 [*The Development Status of the National Patent Agency Industry (2021): shows that the development of my country's patent agency industry is stable and orderly*], CNIPA (July 11, 2022), http://www.gov.cn/xinwen/2022-07/11/content_5700441.htm [https://perma.cc/23EL-ZQ3A]. (An example of greater attention to the professionalization of attorneys appearing before the USPTO would be development of integrated data and reports on their activity. While OED is generally very transparent about their enforcement actions, too little attention is paid to general professional development. Compare, for example, CNIPA's report on the development of patent agencies in China, among other Chinese initiatives to improve the quality of services of IP Attorneys.)

238. Emil Ali, *OED Announces Delay of Practitioner CLE Certification and Biennial Registration*, MCCABE ALI LLP, <https://ipethicslaw.com/oed-announces-delay-of-practitioner-cle-certification-biennial-registration/> [https://perma.cc/9RDN-QTUN].

239. Michael E. McCable, Jr., *Lawyers Who "Dabble" in USPTO Trademark Matters Face Nightmare of OED Ethics Investigations, Discipline*, MCCABE ALI LLP,

Academics teaching IP law should also be encouraged by OED to include an ethics component in their casebooks, clinics and curriculum, particularly if their classes include a high percentage of foreign lawyers who may be unfamiliar with IP ethics rules in the United States. Currently the USPTO pro bono program has over 60 certified clinics at American law schools.²⁴⁰ These clinics are already mandated to instruct on legal ethics issues. They also need to specifically address the newly arising issues identified in this article.²⁴¹

C. *Reexamining Choice of Law Rules and International Practice*

By extending the notion of “practice before the office” to “contemplated” activities, USPTO rules conflict with legitimate behavior of foreign attorneys advising their clients on global portfolios absent conduct that constitutes actual practice before the office. OED cases to date generally do not rely solely on “contemplation.” OED’s regulations should be drafted to conform to actual practice in this area and to minimize conflicts with foreign jurisdictions whose help could be useful in addressing the incidence of fraudulent behavior. OED rules should also be amended to minimize friction with foreign bars by at least requiring proof of actual conduct before the office, and not simply “contemplation” of such conduct.

Where there is fraudulent conduct, USPTO should also seek reciprocal or parallel disciplinary measures with other regulatory or law enforcement authorities, much as appears to have occurred in the Shenzhen Huanyee case. It is remarkable that, despite the current frozen state of bilateral relations, USPTO and CNIPA have been able to maintain a continuing dialogue on professional responsibility and other issues. Engaging CNIPA on issues of common concern may help ensure that Chinese applicants do not engage in proscribed conduct, support broader

<https://ipethicslaw.com/general-practice-lawyers-risk-oed-investigations-and-discipline-for-dabbling-in-ip-law/> [<https://perma.cc/LZ8D-XQ2T>].

240. *Law School Clinic Certification Program*, U.S. PAT. AND TRADEMARK OFF., <https://www.uspto.gov/learning-and-resources/ip-policy/public-information-about-practitioners/law-school-clinic-1> [<https://perma.cc/8LLC-N77U>].

241. *USPTO Law School Clinic Certification Program, Law School Application Packet 2022-2024 Expansion*, at 9, https://www.uspto.gov/sites/default/files/documents/2020-2024-Law_School_Application_Packet-Nov-2022.pdf [<https://perma.cc/3ZZJ-GQML>]. (“Faculty clinic supervisor(s) must read and be familiar with the USPTO ethics rules (see, 37 C.F.R. § 11.101 et seq.); the relevant sections of the USPTO’s procedural rules; and the USPTO’s Program rules, requirements, and procedures. Faculty clinic supervisor(s) must ensure that participating law school clinic students do the same.”)

deterrence, and open the gateway for further involvement by U.S. IP practitioners in China's important market.

During disciplinary proceedings, OED should make inquiries on the record into the good standing of foreign-admitted lawyers, including dual-admitted (U.S./foreign) attorneys. These inquiries can form the basis for referrals to foreign bars for additional information on fraudulent activities, confirmation of good standing, reciprocal disciplinary measures, and other forms of cooperation.

Due to the high volume of foreign patent and trademark applications to the USPTO, special rules for representing foreign clients might also be considered by USPTO, such as requiring that USPTO practitioners inform their clients on such matters as: the duty of candor in practice before the USPTO; limitations on attorney-client confidentiality; specimen requirements; and prohibitions against the unauthorized practice of law. This problem is not unique to IP concerns. As I wrote in 2012, "an obligation to warn clients, or obtain informed consent, would appear to be implicit in the obligation to maintain attorney-client confidences that is found in all ethical codes in the United States [and China]." ²⁴²

To the extent that criminal measures are sought in attorney disciplinary measures, such as through prosecutions for fraud, the U.S.-China Mutual Legal Assistance Agreement (1990) ("MLAA") ²⁴³ provides a basis for law enforcement cooperation between the U.S. and China. Joint criminal IP investigations undertaken pursuant to the MLAA have been rare. Considering the shared interests of CNIPA and USPTO, this may be an appropriate avenue for cooperation either by prosecutors or by the regulatory agencies themselves. The USPTO and SIPO/CNIPA have signed Memoranda of Understanding on cooperation in the past that can also provide a basis for cooperative engagement to address fraudulent activities, which may have already brought results in the parallel enforcement action of the Huanyee case. ²⁴⁴ Where fraudulent activities

242. Cohen, *supra* note 16, at 2574.

243. Agreement between the Government of the United States of America and the Government of the People's Republic of China on Mutual Legal Assistance in Criminal Matters, U.S. Dep't of State (June 19, 2020) <https://www.state.gov/wp-content/uploads/2019/02/13102-China-Law-Enforcement-MLAT-6.19.2000.pdf> [<https://perma.cc/FK6L-FRTU>]; Sarah Fendrick, *USPTO Signs Memorandums of Understanding with Rospatent and SIPO*, PATENT DOCS (June 20, 2010), <https://www.patentdocs.org/2010/06/uspto-signs-memorandum-of-understanding-with-rospatent-and-sipo.html> [<https://perma.cc/4VCJ-LBCB>].

244. *Trademark Registry Fraud Surges on Amazon; Trademark Owners Need to Ensure Their Marks Are Federally Registered*, FRENCH AM. CHAMBER OF COM., (July 20, 2020), <https://www.faccnyc.org/news/trademark-registry-fraud-surges-amazon-trademark-owners-need-ensure-their-marks-are-federally> [<https://perma.cc/TS5F-9SUY>].

constitute a crime, USPTO should nonetheless consider referrals to law enforcement.

U.S. IP attorneys practicing in many markets, such as China, face significant market access restrictions that limit their participation in the market. A dearth of legitimate U.S. IP practitioners can contribute to a lack of knowledge concerning applicable USPTO rules. In the long run, the presence of knowledgeable U.S. IP attorneys in foreign markets should decrease unethical activities by promoting dissemination of information regarding practice before the USPTO.²⁴⁵ Currently, there are only 39 U.S. patent agents and lawyers residing in China, nearly a third of whom are in-house lawyers. The 39 patent agents and lawyers are hardly enough to make an impact on Chinese practices involving filing patents and trademarks at the USPTO. OED's China-based patent agents constitute about 0.078% of the 49,932 USPTO-admitted patent attorneys and agents (36,701 attorneys, 13,231 agents).²⁴⁶ These numbers are even lower when compared to the total volume of patent applications originating from China. In 2020, for example, 15.3% of its foreign patent applications (serialized and requests for continued examinations) came from mainland China, or 8.4% of total applications.²⁴⁷ Expanding the legal market in China for foreign IP services could have a significant impact in reducing the numbers of fraudulent filings by ensuring that there is direct contact by U.S. IP practitioners with clients and intermediaries.²⁴⁸

Opening the Chinese market to U.S. IP attorneys can be accomplished through negotiation of an agreement regarding services market access with China or through a WTO case on market access. Direct negotiations may be possible as China has been progressively opening its IP legal services market, particularly in free trade zones.²⁴⁹ China did not, however, make a specific commitment regarding access to its market for patent and trademark services when it joined the WTO. This may mean that this market is "bound," or open to competition, depending on whether patent or other IP-related services are considered legal services under the

245. Cohen, *supra* note 16, at 2575.

246. By comparison, there are 2,868 New York-admitted attorneys who are residents in China, out of 314,712, or about 0.86% of attorneys admitted in New York State. They account for nearly 74 times more lawyers in China than the number of OED-enrolled patent lawyers, and over 10 times more as a percentage compared to the total number of registered attorneys in New York State and USPTO. *New York State Registered Attorneys*, OPENGOVNY <https://opengovny.com/attorney> [<https://perma.cc/TQ8J-8F7C>] (last visited Dec. 20, 2022).

247. See PAR, *supra* note 144.

248. *Id.*

249. FTZ Rule, *supra* note 34.

existing United Nations classification scheme for legal services.²⁵⁰ The United States, by contrast, specifically required U.S. citizenship to practice before the U.S. Patent and Trademark Office.²⁵¹

D. Trade-Related Remedies

One solution to the problem of IP application subsidization would be for the USTR to bring a countervailing duty or “anti-subsidy” case at the WTO against China for its extensive patent and trademark subsidization practices.²⁵² A successful case would help address systemic problems arising from IP subsidization practices by foreign countries.

As defined in the WTO Agreement on Subsidies and Countervailing Measures (the “SCM Agreement”), a WTO-inconsistent subsidy provides a cash or similar “benefit” to a domestic company to support its export activities. A countervailable subsidy needs to be provided by (i) a granting of a subsidy, (ii) that is tied to, (iii) anticipated export earnings. China’s subsidies for overseas trademark applications are tied to export performance insofar as they are tied to e-commerce and may thereby be subject to the SCM Agreement. Such a case could also be viewed as a more IP-specific counterpart case to the successful U.S. case claiming that export subsidies for Chinese government designated famous brands violated the SCM Agreement.²⁵³

Notwithstanding any merits of a WTO complaint under the SCM Agreement, I do not believe that such a claim makes political sense. Bilateral relations are already exceedingly contentious and such a case may add additional fuel to the flame of mutual mistrust. WTO cases also take considerable time and do not provide any retrospective relief. Damages would also be difficult to calculate as the injured party is the

250. See *Guide to Reading the GATS Schedules of Specific Commitments and the list of Article II (MFN) Exceptions*, WORLD TRADE ORG., https://www.wto.org/english/tratop_e/serv_e/guide1_e.htm [<https://perma.cc/22WN-MRB6>]; CPC 8612 governs “Legal advisory and representation services in statutory procedures of quasi-judicial tribunals, boards, etc.” *Classification on Economic Statistics*, U.N. STAT. DIV., <https://unstats.un.org/unsd/classifications/Econ/Detail/EN/9/861> [<https://perma.cc/25YP-T52U>].

251. General Agreement on Trade in Services, *The United States of America, Schedule of Specific Commitments*, 16 (Apr. 15, 1994).

252. See generally Taylor Stemler, *Forcing Creativity: An Analysis of Chinese IP Subsidies and How They Should Be Assessed Under Existing International Trade Agreements*, 12 CYBARIS 27 (2021) <https://open.mitchellhamline.edu/cybaris/vol12/iss2/2> [<https://perma.cc/A3NM-S4HX>].

253. *United States Wins End to China’s “Famous Brand” Subsidies After Challenge at WTO; Agreement Levels Playing Field for American Workers in Every Manufacturing Sector*, OFF. OF THE U.S. TRADE REPRESENTATIVE (Dec. 18, 2009), <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2009/december/united-states-wins-end-china%E2%80%99s-%E2%80%9Cfamous-brand%E2%80%9D-sub> [<https://perma.cc/V7Q5-2RQ5>].

USPTO, a U.S. government agency, that could have mitigated injury through adjusting application fees or other measures. The USPTO benefits from such subsidies due to an enhanced volume of trademark applications. Moreover, other countries may also have overseas patent and trademark subsidies, which could leave the U.S. in an isolated position on this issue.

A mechanism that could prove helpful in assessing distortionary trademark subsidies would be to require a trademark applicant to disclose if it benefited from direct government subsidies in filing a trademark before the USPTO. Currently, the USPTO requires disclosure only of financial support provided by the U.S. government for filing of U.S. patent applications. Similar provisions, if imposed upon trademarks and foreign filings, would identify the extent of subsidization and any adverse impacts on USPTO or the U.S. IP system. The U.S.-China Economic and Security Review Commission recently proposed such a disclosure system for patent filings in its 2022 report to Congress, as did this author in recent testimony before the House Judiciary Committee.²⁵⁴

VI. CONCLUSION

The United States and China are the two largest patent and trademark offices in the world. During the decades-long interaction of the U.S. and Chinese IP agencies, China has often been the beneficiary of U.S. experience in specialized IP agencies, specialized IP courts, disciplinary proceedings, and related matters. This shared experience has enabled China to better protect U.S. IP interests and generally contributed to the rule of law in China. As Chinese technology and IP sectors continue to grow, its experience is also likely to become increasingly useful to the United States as well.

USPTO and Chinese parallel IP disciplinary action campaigns are focused on the same outcome: reducing the incidence of fraudulent IP filings. Although China's campaign may be relatively more rationalized, it is nonetheless insufficiently deterrent and transparent. The U.S. and Chinese experiences both show that disciplinary actions by themselves may be inadequate to address the issues of fraudulent filings, particularly against those that originate from overseas. Civil remedies, which are being

254. US-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION, 117TH CONG., 2022 REP. TO CONGRESS OF THE U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION 177 (2022), https://www.uscc.gov/sites/default/files/2022-11/2022_Annual_Report_to_Congress.pdf [<https://perma.cc/8S34-RGEM>]; Mark A. Cohen, Statement before the House Sub-Committee on Courts, Intellectual Property and the Internet, at 12 (Mar. 8, 2023) <https://judiciary.house.gov/sites/evo-subsites/republicans-judiciary.house.gov/files/evo-media-document/cohen-testimony.pdf> [<https://perma.cc/9KZT-A6ZK>].

deployed in China, may be an important adjunct to disciplinary proceedings. In appropriate circumstances, referrals to criminal prosecution on fraud charges may be appropriate. Additional cooperative forms of engagement would be helpful to both countries, such as through sharing of information and shared investigations.

Although bilateral IP relations have become increasingly politicized in recent years, the history of the past 20 years also demonstrates that bilateral cooperation has had significant benefits for both countries. Choosing between confrontation or collaboration with China presents a false choice. Bilateral engagement is only one tool, and it need not be sacrificed to more assertive strategies. To be effective, however, dialogue must be strategic. It is also more likely to be effective if it is in both parties' interests. Such is the case with respect to collaboration on attorney disciplinary matters.²⁵⁵

Failing to cooperate due to demonization of the other is not the pathway of responsible stakeholders. Rather, as President Biden has noted, the United States and China "must work together to address transnational challenges."²⁵⁶ These challenges are not insurmountable. Although bilateral trade relations have often not been calm, the two intellectual property offices have had a long and fruitful history of working together and may yet recover those cooperative programs to address common challenges.

255. Mark A. Cohen, *Collaboration or Confrontation: Beyond the False Dichotomy in US-China IP Relations*, CHINA IPR (July 17, 2019), <https://chinaipr.com/2019/07/17/collaboration-or-confrontation-beyond-the-false-dichotomy-in-us-china-ip-relations/> [<https://perma.cc/AL4J-DY6Y>].

256. READOUT OF PRESIDENT JOE BIDEN'S MEETING WITH PRESIDENT XI JINPING OF THE PEOPLE'S REPUBLIC OF CHINA, THE WHITE HOUSE (Nov. 14, 2022), <https://www.whitehouse.gov/briefing-room/statements-releases/2022/11/14/readout-of-president-joe-bidens-meeting-with-president-xi-jinping-of-the-peoples-republic-of-china/> [<https://perma.cc/4S38-9CMP>].

APPENDIX I²⁵⁷
RECIPROCAL CASES (Sample)

Party Involved	Case Citation	USPTO Disciplinary Measures	State Bar Registration	State Bar Status
Li, Di	In the matter of Di Li, Proceeding No. D2021-16 (Final Order) available at: https://foiadocuments.uspto.gov/oed/Li-Final-Order-(D2021-16).pdf .	12-month probation	State: CA Registration Number: 294173 Profile: https://apps.calbar.ca.gov/attorney/Licensee/Detail/294173	Active with a public reproof starting on 1/11/2023.
Mar, Anita	In the matter of Anita Mar, Proceeding No. D2019-11 (Initial Decision on Default Judgment) available at: https://foiadocuments.uspto.gov/oed/D2019-11_Mar_Final_Decision_08_02_19.pdf .	Sanction of exclusion	N/A (Anita Mar is a patent agent)	N/A
Zhang, Weibo	In the matter of Weibo Zhang, Proceeding No. D2022-16 (Final Order, Redacted), available at: https://foiadocuments.uspto.gov/oed/Zhang-Final-Order-(D2022-16)_Redacted.pdf .	90-day suspension and 18-month probation	State: NY Registration Number: 5690201 Profile: https://iapps.courts.state.ny.us/attorneyservices/wicket/page/DetailsPage?20 .	Active with no record of public discipline
Wan, Yi	In the matter of Yi Wan, Proceeding No. D2022-04 (Final Order), available at: https://foiadocuments.uspto.gov/oed/Wan-Final-Order-D(2022-04).pdf .	6-month suspension and 12-month probation	State: NY Registration Number: 5193669 Profile: https://iapps.courts.state.ny.us/attorneyservices/wicket/page/DetailsPage?15 .	Active with no record of discipline
Liu, Daoyou Tim	In the matter of Daoyou Tim Liu, Proceeding No. D2022-03 (Initial Decision on	Sanction of exclusion	State: CA Registration Number: 264276	Not Eligible to Practice Law-Suspended for

257. As of Dec. 28, 2022.

	Default Judgment) available at: https://foiadocuments.uspto.gov/oed/22-AF-0082-OC-001-Initial-Decision-on-Default-Judgment-08092022-Redacted.pdf .		Profile: https://apps.calbar.ca.gov/attorney/Licensee/Detail/264276 .	failure to pay fee and MCLE noncompliance. No disciplinary records on file.
Hao, Kathy Q.	In the matter of Kathy Q. Hao, Proceeding No. D2021-14 (Final Order), available at: https://foiadocuments.uspto.gov/oed/Final-Order-(Hao)-(D2021-14).pdf	6-month suspension and 12-month probation	State: CA Registration Number: 243231 Profile: https://apps.calbar.ca.gov/attorney/Licensee/Detail/243231 .	Active with no record of discipline.
Hom, Tony	In the matter of Tony Hom, Proceeding No. D2021-10 (Final Order, Redacted), available at: https://foiadocuments.uspto.gov/oed/Final-Order-(D2021-10)-(Hom)-Redacted.pdf .	2-year suspension and 12-month probation	State: NY Registration Number: 2746212 Profile: https://iapps.courts.state.ny.us/attorneyservices/wicket/page/DetailsPage?5 .	Active with no record of discipline.
David, Bennett C.	In the matter of Bennett C. David, Proceeding No. D2021-8 (Final Order), available at: https://foiadocuments.uspto.gov/oed/David%20Final%20Order%20(D2021-08).pdf .	12-month probation	State: MA Registration Number: 695377 Profile: https://www.massbbo.org/s/attorney-lookup?fName&lName&loc&bboNumber=695377 .	Active, with a public discipline record for public reprimand/admonishment in other jurisdiction.
Morton, Jonathan G.	In the matter of Jonathan G. Morton, Proceeding No. D2022-07 (Final Order), available at: https://foiadocuments.uspto.gov/oed/Morton-Final-Order-D2022-07.pdf .	2-year suspension and 12-month probation	State: FL Registration Number: 56427 Profile: https://www.floridabar.org/directories/find-mbr/profile/?num=56427 . State: NY	Retired and not eligible to practice law in Florida; Active with no record of discipline in New York.

			Registration Number: 5347042 Profile: https://iapps.courts.state.ny.us/attorneyservices/wicket/page/DetailsPage?2	
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APPENDIX II²⁵⁸ EXPUNGEMENTS²⁵⁹

Registration No.	Trademark	Owner Name and city/country	Petitioner Name in the expungement petition	Proceedings Start Date/ Notice filing date
5811815	AEGEAN	Compass Manufacturing International LLC; Kentucky, United States	Ed Welch	30-Nov-22
3255680	IFIXIT	IFIXIT; San Luis Obispo, California	IFIXITUSA	29-Nov-22
5089838	RestArt (Design)	Shanghai Dongdan Trading Co.,Ltd; Shanghai, China	Get Stix, Inc.	22-Nov-22
5467713	RESTART	Shanghai Dongdan Trading Co.,Ltd; Shanghai, China	Get Stix, Inc.	22-Nov-22
5893517	SPARKLE	ZAWAHIR, MEEYAPILLAI K M; New Jersey, US	Pelican Brewing Company	21-Nov-22
5815735	SONDER	Sonder Solutions Pty Ltd; Sydney, Australia	SonderMind Inc., Denver, US	18-Nov-22
5838165	SMARTCANDY	Kranzer, Ullrich; Neubiberg, Germany	SmartSweets, Inc.	16-Nov-22
4230521	MY HEALTH PLACE	DYNAMIS ADVISORS INC.; Ohio, US	Prosper Services LLC	15-Nov-22
5398931	INSPIRED	Chrysalis Foundation; Iowa, US		
5098093	DUO (Design)	DOMANI-GS LIMITED; Hong Kong	Artsana S.P.A, Italy	3-Nov-22
5622523	Simmore	Huang jianfeng; Yiwu, China	Roger Rojas	25-Oct-22

258. The data mentioned in Appendix II has been taken from the website <https://www.uspto.gov/trademarks/apply/expungement-and-reexamination-petitions-received> [https://perma.cc/RV99-6VRB] that was last accessed on December 24, 2022.

259. The registrations as mentioned in the table are out of a total of 105 registrations.

Registration No.	Trademark	Owner Name and city/country	Petitioner Name in the expungement petition	Proceedings Start Date/ Notice filing date
5816443	PAPAYA	PAPAYA INTERNATIONAL LTD; London, UK	Papaya Global Ltd., Israel	20-Oct-22
2697642	THE ST JAMES'S CLUB	St. James's Club Limited, The; London, UK	St. James's Club Antigua	11-Oct-22
1080718	WILLIAMSBURG	COLONIAL WILLIAMSBURG FOUNDATION, THE; Virginia, US	Nathan Brown, US	9-Oct-22
682566	WILLIAMSBURG	COLONIAL WILLIAMSBURG FOUNDATION, THE; Virginia, US	Nathan Brown, US	5-Oct-22
4920029	PEAK WELL SYSTEMS (Design)	Peak Well Systems Limited; Aberdeen, UK	Lerner Greenberg Stermer LLP, US	30-Sep-22
4623527	WORM WEAR (Design)	Patagonia, Inc.; Ventura, California US	Intellectual Property Consulting, LLC	28-Sep-22
4117035	Five Sense	Puzhen Life Co., Limited; Hong Kong	Nagl, Rene	27-Sep-22
5444003	HOLY FAMILY	PR Control Corp.; Los Angeles, California, US	Huerta, Priscilla C	12-Sep-22
5095829	EARL'S	GREEN RIVER SPIRITS COMPANY, LLC; South Carolina, US	Earls Steven, Inc	8-Sep-22
5537746	RAMEN ITTO	Yume-wo-Kanaeru Co., Ltd.; Japan	DISTRIBUIDO RA DE ALIMENTOS SI, S. DE R.L. DE C.V	7-Sep-22
5726486	SADI SD (Design)	Yuangeng Xu; China	Dominic Ianni	6-Sep-22
5361313	HOMESPON (Design)	SUZHOU NEWOX NETWORK TECHNOLOGY CO., LTD; China	Homespun Global LLC	30-Aug-22

Registration No.	Trademark	Owner Name and city/country	Petitioner Name in the expungement petition	Proceedings Start Date/ Notice filing date
5361320	HOMESPON (Design)	SUZHOU NEWOX NETWORK TECHNOLOGY CO., LTD; China	Homespun Global LLC	30-Aug-22
2950812	PHOENIX (Design)	929641 ONTARIO INC.; Ontario, Canada	Mehrbani, Parna A	25-Aug-22
4372700	SURF SIDE (Design)	Caribbean Distillers, LLC; Florida, US	Madaket, LLC	25-Aug-22
3602896	FROG (Design)	FROGWORLD CO., LTD; Seoul, Korea	Peak 10 Publishing LLC d/b/a Survival Frog, LLC	18-Aug-22
5396441	POPCORN SUTTON'S	Dean, Mark Anthony; Texas, US	TN-Revival, LLC	12-Aug-22
5646212	STRATOSPHERE	STRATOSPHERE INTERNATIONAL LTD; Folkestone, UK	JGD Holding Company Ltd.	10-Feb-22
5578764	BIANCO LATTE	DIRR S.r.L.; Milano, Italy	Bianco Latte I LLC, New York US	10-Aug-22
5475197	COSY LIFE	Shenzhen Zhijie Technologies Co., Ltd; Shenzhen, China	Inaba Shokuhin Co., Ltd.	9-Aug-22
5527589	NUTRIUM	NUTRIUM INTERNATIONAL LTD.; London, UK	Larry H. Tronco	11-Apr-22
5809154	AVENUE DES CHAMPS ELYSÉES (Design)	SOCIÉTÉ D'ANIMATION DES CHAMPS-ELYSÉES; France	Chocoladefabrik en Lindt & Sprüngli AG, Switzerland	26-Jul-22
5809300	ILLUMINATION S CHAMPS ELYSÉES (Design)	SOCIÉTÉ D'ANIMATION DES CHAMPS-ELYSÉES; France	Chocoladefabrik en Lindt & Sprüngli AG, Switzerland	26-Jul-22
5284210	Adventure Dining	The Producers Group, LLC.; Glendale, California, US	Pear Ridge Productions, LLC	26-Jul-22
5337463	DONA	Bemex GmbH; Switzerland	Larry H. Tronco	25-Jul-22

Registration No.	Trademark	Owner Name and city/country	Petitioner Name in the expungement petition	Proceedings Start Date/ Notice filing date
5403825	CRISTAL ROYAL	ZYLANGIA; France	Haug Partners LLP	21-Apr-22
5748158	ASTREA	Q-linea AB; Sweden	Armstrong, Richard Todd	14-Jul-22
5376466	SMART LOCK	Locus Link USA, Texas, US	Marilyn S. Young	12-Jul-22
5376467	SMART LOCK (Design)	Locus Link USA, Texas, US	Marilyn S. Young	12-Jul-22
5046154	UNDECIDED	Henry, Nicolas R; Los Angeles, California, US	Madison McNulty	7-Jul-22
5628288	GET ON BOARD	Paul Gilmore; Carlsbad, California, US	Gulf Coast Panama Jack, Inc	6-Jul-22
4935150	FITCOIN	FITCOIN, INC.; Glendale, California, US	Dorsey & Whitney LLP	1-Jul-22
5223472	ASTROFIT	RJR & ASSOCIATES DISTRIBUTION, INC.; Quebec, Canada	Perrott, Eric	29-Jun-22
5598086	MAGIC CHOCOLATE FACTORY	Katjes Fassin GmbH + Co. KG; Germany	All One God Faith, Inc.	27-Jun-22
5694154	SFT (Design)	SHI SHENG TOU ZI (SHANG HAI) YOU XIAN GONG SI; China	Antonakopoulou, Christina	27-Jun-22
5587254	HYDROMOMS (Design)	PT. Karniel Pacific Indonesia; Indonesia	Colson Health, Inc.	24-Jun-22
5508700	AQUAPRO	Hangzhou Ou Yue Electronic Commerce Co., Ltd.; Zhejiang, China	Athena GTX, Inc.	23-Jun-22
3974340	BANDIT	Rebel Wine Co. LLC; California, US	Roar Spirits, LLC	10-Jun-22
5117078	POPLOGiQ	Rodriguez, Kareem; San Bruno, California, US	Craddock, Tia	7-Jun-22
5247218	YOGA FACE	Clifton Boren; Dallas, Texas, US	Radhika Choudhary	7-Jun-22

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5267700	YOGA FACE (Design)	Clifton Boren; Dallas, Texas, US	Radhika Choudhary	7-Jun-22
4824343	CALLIOPE	TEDDY S.P.A.; Rimini, Italy	Calliope Golf LLC	27-May-22