

As China's purchasing power increases, many SMEs are experiencing increasing demand for their products in China. When promoting your products in China, there are certain IP risks that should be kept in mind.

You need to consider the following IPR issues when doing business promotion in China:

### **Check whether you protected your main assets in the Chinese market?**

Prior to any engagement with China your company needs to consider what know-how that is valuable for your business and how this is protected in China. The first step is to

- identify what IPR and know-how is embedded in the component or product to be sold in China
- ensure that correct IP protection is in place in China. By merely showing your products in China you increase the IP risks.

### **A Chinese name?**

It is often a necessity to have a Chinese name for your product introduced in the Chinese market. However, as opposed to other countries, not having a Chinese name entails an IP risk. If a brand's Chinese name has not been decided and registered in China prior to starting promotion the following IP risks occur, as Helpdesk expert Karin Beukel, IPR consultant and partner at The IPR Company explains:

*"When it comes to Chinese trademarks, we have seen several different ways where things go wrong for SMEs, for example, that the name that is invented by the Chinese consumers are associated with (by the nature of the Chinese signs) with issues that the SME does not feel comfortable with; that the Chinese name is developed by a retailer or agent which the European company does not find suitable, and most importantly, that the Chinese name known in the market is registered by third parties, leaving the SME with the opportunity to either change all promotion material and trademark or to buy the trademark back – and this is often very*

*expensive."*

The solution is to find out which Chinese trademarks your company wants to use for the Chinese market and at the same time explore whether the chosen trademarks are available for registration.

### **Attending trade fairs**

Trade fairs are known as a location where infringers are inspired. Therefore, when attending trade fairs certain precautions should be initiated. Avoid showcasing important know-how and ensure that visitors to your stand aren't allowed to take photos. Some companies even restrict who has access to the exhibition stand to ensure that they have control over who can be introduced to certain products. Restriction can also be done by following all visitors to your exhibition stand closely.

### **Marketing campaigns**

Before getting engaged in marketing campaigns in China, ensure the registration of trademarks. In China, it is often the fact that trademarks are squatted – to read more about this see the 'Trademarks' section above.