

By continuing to use this site you consent to the use of cookies on your device as described in our [cookie policy](#) unless you have disabled them. You can change your [cookie settings](#) at any time but parts of our site will not function correctly without them.

## FINANCIAL TIMES

---

September 27, 2013 3:11 pm

# Heineken sewn up in Chinese trademark tangle

By Demetri Sevastopulo in Hong Kong

China became the world's copycatting centre by faking everything from [Louis Vuitton](#) bags and PhD diplomas to [Apple](#) stores. Now [Heineken](#) has become the latest multinational to face an intellectual property challenge – from a tiny Chinese sewing machine company.

The global brewer has accused Wujiang Xili Machinery Factory, a company from Jiangsu province with fewer than 50 employees, of pirating its name and logo, and using them at a Shanghai trade show this week.

The case comes as the US, Europe and Japan exert continuing pressure on China to improve its intellectual property record.

Apple last year agreed to pay \$60m to Proview Technology (Shenzhen) to end a long-running iPad trademark dispute as it was preparing to unveil the third generation of its tablet in China. Michael Jordan, the retired US basketball star, is also embroiled in a case with Qiadan, a sportswear company with thousands of stores in China, in which he says the company illegally used his Chinese name on their garments.

China this month amended its trademark law in ways that lawyers say will make it easier for foreign companies to protect their trademarks. The new law, which takes effect in May, will raise the penalty for trademark infringement and increase the burden on a defendant to prove that an application was made in good faith.

Geoffrey Lin, a lawyer at Ropes & Gray, said China had become “more consistent” in the application of its intellectual property laws. But he said foreign companies still face a lot of “hijacking” where local companies register trademarks that resemble those of a multinational before the foreign company can do so – in a process akin to people buying internet domains that use the names of big companies.

Earlier this year, China's State Administration for Industry and Commerce ruled that Wujiang Xili acted in “bad faith” in applying to register two Heineken names. But the company registered a third version, which the brewer has petitioned to have cancelled.

Joe Simone, a partner at SIPS, a Hong Kong intellectual property firm that is acting on behalf of Heineken, said piracy had serious ramifications for foreign companies.

“A pirate that steals your trademark can effectively stop you from entering the PRC [People's Republic of China] market and using Chinese factories to produce goods for global distribution,” said Mr Simone.

Cai Fuwei, Wujiang Xili's legal officer, said the Jiangsu company had not acted in “bad faith”. He said the logo was designed by an outside party, and that the trademark registration had not breached Chinese law.

Asked if the logos were alike, he said: “Heineken didn't show me their trademark, so I don't know whether ours looks similar.”

*Additional reporting by Julie Zhu*

*demetri.sevastopulo@ft.com*

---

### Content recommended for you

#### Related articles

Arnaud de Lummen awakens vintage luxury brands from their slumber

Government accused of double standards over tax avoidance

Shanghai's new zone: lots of hype, little detail

Intellectual property law change aids diversity

MPs back harsh penalties for copyright pirates

Masters in Management: A moving experience

Colombia: Loyalty is biggest barrier to new entrants

Return of the Truman show as beer brewed for empire comes home to east London

Latin American: Brand power on the rise

Brussels probes multinationals' tax deals

**Printed from:** <http://www.ft.com/cms/s/0/1a41acbe-2773-11e3-8feb-00144feab7de.html>

Print a single copy of this article for personal use. Contact us if you wish to print more to distribute to others.

© **THE FINANCIAL TIMES LTD 2013** FT and 'Financial Times' are trademarks of The Financial Times Ltd.