### L/O/G/O





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### Starbucks in trademark problems

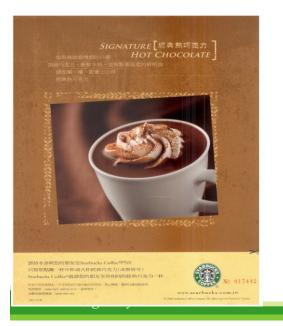






Starbucks Corporation is the world's largest coffee retailer with more than 6,500 coffee houses worldwide.

The company has established about 300 outlets in China.













The Seattle-based Starbucks Corporation set up the first coffee house in Seattle in 1971.

It entered the Taiwanese market in 1998 and gave authority to Uni-President Group, a local firm, to manage its coffee houses in Taiwan and the Chinese mainland.

The multinational registered the Chinese translation of Starbucks, "Xingbake," in China the same year.

Starbucks Corporation entered the Shanghai market and found a Starbucks Coffee Company which now has 38 coffee shops in Shanghai.







Shanghai Xingbake registered its company name in Chinese in Shanghai on November 20, 1999 after Starbucks had registered its trademark but before it had registered the joint venture in March 2000.

The Shanghai company began setting up its coffee houses in 2003.

One of the shops of the local company in the city's downtown Nanjing Road has a design similar to that of Starbucks: a round logo with green characters against white background Chinese characters reading "Xing Ba Ke" on the top and Cafe at the bottom.











In December 2003, Starbucks Corporation sued the Shanghai retailer, claiming trademark infringement.

On Jan 4th,2006, the Shanghai No 2 Intermediate People's Court ruled that Shanghai Xingbake Coffee Co Ltd constituted illegitimate competition by using the Chinese translation of Starbucks in its company name and the translation and a similar design for its coffee houses. Shanghai Xingbake has been ruled to stop infringing on thetrademark right of the US-based Starbucks Corporation and to pay compensation of 500,000 yuan to the US company.

On Dec 20th,2006, the Shanghai High People's Court ruled that uphold the verdict of first trial.





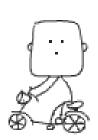


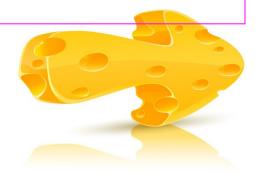




After sophisticated enforcement, Shanghai Xingbake has removed all marks related to Starbucks and changed its name to Yunda.

Five years past, Starbucks involved in another trademark conflict in August 2011.









Starbucks recently drew protest over its latest marketing efforts in China - this time upsetting the descendants of one of the country's most renowned judges after seeing his face plastered on the chain's coffee mugs.

The Seattle-based coffee chain ran into trouble after opening its first branch in the city of Hefei, the capital of east China's Anhui Province. The branch sells coffee mugs and bottles featuring an image of an 11th-century judge named Bao Zhen, more commonly known as "Bao Gong."







The mugs, priced at 90 yuan (about \$14) each, were immensely popular, with more than 100 sold in less than two hours after the store opened on August 7, said a sales representative from the store.

The mug features a stern-faced Bao clad in traditional official attire sitting on a judge's chair under large text proclaiming "Hefei, Starbucks Coffee."











Bao Zheng (999-1062), who was born in present-day Feidong County near the city of Hefei, was a senior official of the Northern Song Dynasty (960-1127). He was highly esteemed for his strictness in upholding justice and opposing corruption, no matter how powerful the offending party was.











Nobody knows exactly how "Bao Gong" really looked like, but Chinese literary works usually portray him as having a black face and a crescent-shaped scar on his forehead, a symbol of impartiality and judiciousness.











Bao Xun'an, a 36thgeneration descendent of Bao and head of an association that studies and promotes Bao's spirit of integrity, said he was "shocked" to see his ancestor's face on the mug.

Bao Xun'an said that the company's marketing strategy is disrespectful and a trademark on Bao Zheng's image was registered in April and Starbucks should not use the image without agreement.



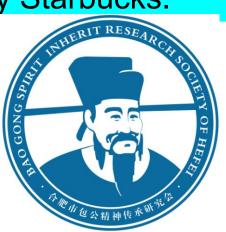








Officer from Anhui Trademark Bureau said "Starbucks didn't infringe on the trademark right in this case because the Baoshidazong trademark don't cover the item of selling glass products and it's different from the service provided by Starbucks."

















Some citizens criticize Starbucks's marketing strategy and some don't.

Even though the debate prolonged, the products are selling well right now.



# **University's Reformation Old System-New Innovation?**



South University of Science and Technology of China (SUSTC) opened in 2009 with sponsorship from the Shenzhen government. Directly under the authority of the Shenzhen government, the university was established in Nanshan district with an investment of more than 2.5 billion yuan. It has been regarded nationwide as the pioneer of China's education reform for its ambitious goal of cultivating innovative talent.



















Shenzhen is famous for being the testing area for China's development over the past three decades. It became China's first special economic zone in 1980s as the government pioneered the nation's economic opening-up in this former fishing village adjacent to Hong Kong.















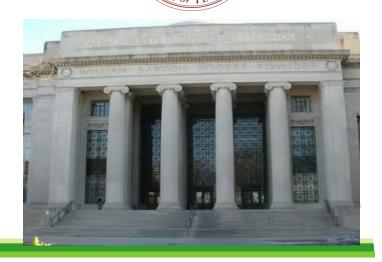




Now higher education is the latest area in which the city is blazing a trail for the rest of the country, as it is setting up a university modeled on the Hong Kong University of Science and Technology.







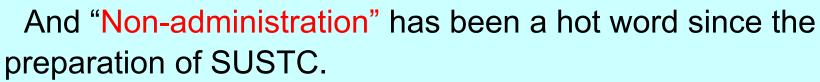




Chinese professors and university managers are usually part of the State administrative hierarchy. Principals, for instance, normally have a rank equivalent to a city mayor or provincial deputy governor. The presidents of Chinese universities are appointed by higher government authorities, campuses are run according to administrative priorities and professors with experience in education have little say.











SUSTC has received local government approval for its own regulation of university management, which is considered the first "basic law" for a Chinese university. Legal or illegal?

According to the regulation, SUSTC has set up a board of directors, who will be the policymakers for the university. The board will have the right to appoint the president and vice-president, examine and approve the university's regulations, financial reports and development plan.





SUSTC recruited its first class of 45 students in March on its own. All the students refused to take part in the national college entrance examination. They are chanlleging existed law.

The test-oriented education represented by China's college entrance examination has suffocated the

innovation(

Ji Baocheng, president of China's People's University, said "the annual exam focusing only on scores failed to select the best students for higher education."









SUSTC enrollment tests assess academic achievement as well as imagination, understanding and innovation. One question, for instance, requires examinees to use two circles, two triangles and two lines to constitute as many graphics as possible.

For their first two years at the university, students will receive instruction in general subjects such as math, physics and politics. Three members of the Chinese Academy of Sciences will teach undergraduate courses. Every year, each student will receive a 10,000 yuan scholarship from the university. The students will then choose a research field according to their interests, and will be granted graduation certificate after earning the required credits. The university is planning to increase the number of student it admits each year to 150 in early 2012, and to 250 in 2013.









# Pioneer: The man behind the reformation

At the retirement age of 64, former USTC's principal Zhu Qingshi was handpicked by the Shenzhen government to organize a new education model to better tap the research and innovation potential of young Chinese for innovation.



"One of the biggest hindrances to Chinese universities turning out research talent is the rampant bureaucratic culture on campus, in my university, all faculties will be stripped of their administrative rankings. If presidents and professors focus on seeking administrative privileges, who will pursue academic excellence?"





Zhu Qingshi, who enjoyed deputy governor-level status when heading the University of Science and Technology of China in Hefei, Anhui province, gave up his bureaucratic ranking, turning the South University of Science and Technology of China into the country's first university headed by a professor.



"In three to five years, we will have 20 foremost R&D professors to head 20 firstclass institutes."



### Discussion: The future of SUSTC







- China's higher education has achieved unprecedented progress in the past three decades. But higher education institutions still don't have a soul. They are busy with expanding recruitment, merging schools, and constructing facilities these year. They have an official-centered culture and assessment system.
- Even though SUSTC have obtained a very warm welcome and support from the common people and some elites but it faces a lot of difficulties now and it's hard to solve because of the system of organization in China.







• In order to accomplish his goal, Principal Zhu Qingshi has to struggle with difficulties like these and in order to reform our higher education system without legal foundation, we also need to solve these problems. It is too early to predict whether SUSTC will herald a new beginning for the nation's higher education, but it is certainly having a good try.









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