

China's Revised Anti-Unfair Competition Law (AUCL 2025): Expanding the Definition of "Acts of Confusion" in the Digital Era

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by Lilian Shi, Janet Wong, and Nicole Chu



In China, the Revised Anti-Unfair Competition Law (**AUCL 2025**) came into effect on October 15, 2025. Although there are various amendments, this update focuses on Article 7, which corresponds to Article 6 of the 2019 version, and introduces significant changes aimed at addressing digital misuse of trade identifiers and an enhanced legal framework for resolving conflicts between company names and trademark rights. The revisions respond to challenges arising from the digital economy and bring clarity to the relationship between company name rights and trademark rights, echoing Article 58 of the PRC Trademark Law.

1. Recognition of Online Identifiers as Protectable Trade Identifiers

The amendment expands the scope of protectable trade identifiers. In addition to traditional identifiers—such as product names, trade or enterprise names, packaging, trade dress, personal names, and domain names—the revised law now explicitly recognizes:

- Online nicknames

- Social media account names
- App names
- App icons

These additions reflect the rapid growth of livestreaming, influencer marketing, and platform-based

business models. Under Article 7 of AUCL 2025, unauthorized or misleading use of these digital identifiers constitutes an act of unfair competition and an act of confusion, aligning legal protection with modern online commercial practices.

2. Harmonization with Article 58 of the PRC Trademark Law

Article 58 of the PRC Trademark Law provides that using another party's registered or unregistered well-known trademark as the distinctive part of an enterprise name in a manner that results in misleading the public constitutes unfair competition and should be governed by AUCL. However, earlier versions of AUCL lacked a corresponding explicit provision, relying instead on a "catch-all clause" under Article 6(4) and judicial interpretations by China's Supreme People's Court.

AUCL 2025 now introduces a new paragraph—Article 7(4)(2)—which explicitly stipulates that "[u]nauthorized use of another party's registered trademark or unregistered well-known trademark as the distinctive part of an enterprise name, thereby misleading the public into believing that the goods are those of another party or that there is a specific connection with another party, constitutes an act of confusion."

This provides a clearer legal basis for resolving conflicts between enterprise name rights and trademark rights, enhancing consistency and predictability in enforcement. It is worth noting that Article 7(4)(2) does not make any reference to "prominent use" which is found in relevant judicial interpretations by the Supreme People's Court. This seems to suggest that, under AUCL 2025, "**prominent use**" is only one of the factors to be considered when assessing and determining whether the use is misleading and likely to confuse to the public rather than a legal definitional requirement for an act of confusion.

Article 7(4)(2) further provides that misleading the public by using another party's product name, enterprise name (including abbreviation or distinctive part), registered trademark, or unregistered well-known trademark as search keywords also constitutes an act of confusion.

One of the key objectives of AUCL 2025 is to improve the legal framework by moving from mere reactive punishment to proactive prevention of unfair competition acts. Accordingly, the revised Article 7 of AUCL 2025 marks a significant step in adapting China's competition law to the realities of the digital economy.

That said, some commentators note that the new law does not provide guidance on protection against unfair competition in fields like AI technology, such as incorporating others' trademarks, copyrighted content, trade names, or online identifiers into AI training

data, or reproducing those identifiers in AI-generated outputs.

We await how these provisions will be interpreted and applied in practice. The ultimate impact of AUCL 2025 will depend on enforcement trends, judicial interpretations, and administrative guidance, all of which will shape the contours of brand protection and competition law in China. We will continue to monitor developments closely and provide updates on the Chinese practice under AUCL 2025 as its jurisprudence evolves to help businesses anticipate risks and align their compliance strategies with the new regulatory landscape.