

# Newsletter June 2010

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## China deploys subsidy work for foreign patent applications

On May 27, the State Intellectual Property Office (SIPO) held a conference in Beijing on subsidizing foreign patent applications. Over 100 representatives from Ministries and local IP offices were present at the meeting.

Related principals from the Patent Affairs Administration Department of SIPO summarized the work in subsidizing foreign patent applications in 2009. This year, the application period is from July 1 to August 15. The SIPO directly receives applications by central entities while provincial level IP departments receive applications in their jurisdiction scope. For the patent programs subsidized in 2009, if patent application fees incurred in the recent year, the subsidized patent programs could still file subsidy application.

In the subsidy policy this year, for the patent program of which the patent applicant is a natural person, if the natural person is the legal person of the enterprise, the subsidy application can be made in the name of the enterprise.

http://www.chinaipr.gov.cn/news/government/661566.shtml

# **Gucci Wins First IPR Lawsuit in China**

The leading luxury goods supplier based in Italy, Gucci, has won its first intellectual property right (IPR) lawsuit on the Chinese mainland.

The Intermediate People's Court of Ningbo, an open coastal city in east China's Zhejiang Province, handed down the verdict that Ningbo Outlets Co.,Ltd. had been in improper competition against Gucci and the Ningbo company should compensate 50,000 yuan to the Italy company.

According to the court, the Ningbo Outlets used the trademark of Gucci at one of its shops and in its online advertisement without permission by the Italian company.

http://www.sipo.gov.cn/sipo\_English/news/iprspecial/201006/t20100611\_521984.html

#### SIPO survey shows patent examination quality improved

The result of the survey on the satisfaction degree of patent examination quality launched by the State Intellectual Property Office (SIPO) for the year 2009 indicated that, the satisfaction degree was 79.4, better than 77.3 in 2008. Besides, the satisfaction degree of the public to other testing indexes related to examination quality was also improved and the complaint index notably decreased while the confidence index increased.

It is introduced that the satisfaction degree to the **correctness of examination** result and procedure was 82.0, higher than 76.8 in 2008. The examination quality was accepted by the interviewees.

It is learnt that the satisfaction degree to **examination efficiency** was 76, slightly higher than 75 in 2008. 64% of the interviewees could accept the preliminary examination period exceeding 6 months and merely 27% of them hoped to complete the preliminary examination within three months.

The survey result showed that, for the examination efficiency of PCT applications entering national phase, 85.7% of the interviewees said that the time SIPO sent out the first notice was no later than that of the IP offices or organization of the United States, Japan and Europe.

The SIPO will continue to launch surveys on the satisfaction degree to examination quality, well know about social demand, raise examination efficiency and improve examination quality.

http://www.chinaipr.gov.cn/news/government/659771.shtml

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## China lowers the threshold for the filing of IPR criminal cases

On May 18, Supreme People's Procuratorate and Ministry of Public Security jointly issued "Provisions of the Supreme People's Procuratorate and the Ministry of Public Security on Filing and Prosecution of Criminal Cases Governed by Public Security Authorities (II)" (hereinafter referred to as "Provisions (II)"), and has provided the standards on filing and prosecution for 85 kinds of economical criminal cases governed by the economic crime investigation department of the Public Security Authorities. It also makes further specification for the filing and prosecution standards on intellectual property criminal cases and for the first time stipulates that any behavior of counterfeiting over 2 patents of others and with over 100,000 yuan's turnover or over 50,000 yuan's illegal gains should be filed and prosecuted, which is lower than the former provisions.

It is introduced that, the "Provisions (II)" makes amendments and adjustments to the filing and prosecution of 42 kinds of cases. By comparing to the "Provisions on Standards for Pursuing Cases of Economic Crime" (hereinafter referred to as "former Provisions") issued on April 18, 2001 by Supreme People's Procuratorate and Ministry of Public Security, the Article 72 in the Provisions (II) added two situations including counterfeiting others' patents with over 200,000 yuan's illegal turnover and counterfeiting over 2 patents of others with over 100,000 yuan's turnover or over 50,000 yuan's illegal gains.

At the same time, as for the cases of trade secret, Article 73 in the "Provisions (II)" adds the situation of over 500,000 yuan's illegal turnover in trade secret infringements.

For trademark cases, Article 69 in the "Provisions (II)" greatly lowers the threshold with respect to illegal turnover. <u>http://www.chinaipr.gov.cn/news/government/659314.shtml</u>

# Draft Measures for Registration of Pledge of Patent Right Invites Comments

In an effort of ensuring the implementation of hypothec, regulating the registration of IPR pledging, pursuant to the modification of the Implementing Regulations, SIPO released the Measures for Registration of Pledge of Patent Rights (Draft) and asks for opinions from the public recently. The deadline to submit the opinions is June 15.

The draft clearly stipulates a series of rules of pledge such as the registration departments, procedure and registration of deadline. Compared to the Provisional Administration Measures on Registration of Pledge Contracts on Patent Rights, the revision covers in many aspects including deleting one article and modifying the object of registration from contract to patent right. Pledgee could gain more warranty and administrative services, which are no longer paid. It also brings efficiency.

http://www.sipo.gov.cn/sipo\_English/news/official/201006/t20100610\_521863.html

## SIPO Commissioner: Create Sound IPR Protection Environment for Foreign Enterprises

SIPO Commissioner Tian Lipu, together with principals from the Ministry of Commerce, Ministry of Public Security, and the Supreme People's Procuratorate, toured the international corporations, Samsung and Epson in Tianjin and listened to their comments on IPR protection in China on May 10. Tian highlighted that, China will create sound IPR protection environment for foreign-funded enterprises in China.

Tian said, many foreign-funded enterprises perform R & D activities in China, creating many quality patents and essential technologies. Such IPR-supported strategy elevates the thinking to Chinese companies. China's determination in carrying out open-up policy will endeavor to create a better IPR protection environment for global enterprises, stressed Tian.

http://www.sipo.gov.cn/sipo\_English/news/official/201005/t20100520\_519196.html