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Trademark Implementing Regulations Refining Rules to Promote Administration in Accordance with Laws

On May 1, the revised Trademark Regulations (No. 651 Order of the State Council) is implemented simultaneously with new Trademark Law. As an important supporting administrative regulation, it has great importance for implementing Trademark Law, improving the authority's efficiencies in duty performance.

After revision, the Regulations has 10 chapters and 98 rules. Since the trademark Law allows one application for multiple classes, the Regulations then allows division of the application in case of partial refused protection.

Also, according to the new regulations, the utilization of Chinese well-known trademarks for the purpose of product promotion is explicitly banned, preventing such mark owners from using those marks as a powerful promotion tool. It is believed that such practice will be good for promoting fair competition in the market.

http://www.saic.gov.cn/sbjenglish/sbyw 1/201405/t2014 0516_145220.html;

The Establishment of IP Courts in China Speeds Up

With the rapid development of intellectual property rights (IPR), related disputes have increased exponentially. According to the Supreme People's Court the concluded civil cases of first instance by local courts increased from 3,000 in 2009 to 9,000 in 2013, administrative cases from 2,000 to 3,000 and criminal cases from 3,000 to 9,000.

Especially in recent years, foreign-related civil cases on intellectual property, cases involving new types of cutting-edge science and technology issues, difficult and complex cases and cases of well-known corporate brand protection have significantly increased. The increasing difficulty of handling those cases has raised new requirements for IPR trials.

Accordingly, the establishment of intellectual property courts in China is considered as a trend on the occasion of a new round of reforms on judicial system and also the inevitable result of the evolvement of intellectual property rights.

http://www.chinaipr.gov.cn/newsarticle/news/governme nt/201406/1823264_1.html

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China Intends to Increase Penalties for Copyright Infringement

In early June, a draft amendment to the Copyright Law was published on the website of the Legislative Affairs Office of China's State Council to solicit public opinion.

Any individual and entity may submit their opinions on the draft by July 5, 2014.

According to the draft amendment to the Copyright Law, authorities are allowed to seal off and seize illicit products, and the miscreants face fines of five times their illegal gains or up to 250,000 yuan when the exact sum cannot be established. Previously the figures were three times and 100,000 yuan. <u>http://www.chinaipr.gov.cn/newsarticle/news/governme</u> <u>mt/201406/1824506 1.html</u>

China Launches New Campaign Against Online Piracy

The National Copyright Administration, the State Internet Information Office, the Ministry of Industry and Information Technology, and the Ministry of Public Security of China jointly launched a new campaign against rampant online piracy, targeting websites which offer unauthorized content from traditional media.

This campaign is the 10th annual campaign of its kind since 2005, and will run for a half-year from June to November, 2014.

http://www.chinaipr.gov.cn/newsarticle/news/governme nt/201406/1824522 1.html

China Intends to Regulate the Administrators' Antitrust Enforcement Behavior

The draft *Provisions of the Administrative* Department for Industry and Commerce on Prohibiting the Abuse of Intellectual Property Rights to Exclude and Restrict Competition was published by the State Administration for Industry and Commerce (SAIC) of China, as a measure to enhance the operability of the Anti-Monopoly Law and promote the transparency in antitrust enforcement.

The draft is released to solicit public opinions. The time to give opinions on these rules will be due on July 10, 2014. <u>http://www.saic.gov.cn/gzhd/zqyj/201406/t20140610_14</u> <u>5803.html</u>

A Rise in Public Levels of Satisfaction with Chinese IP Protection

In 2013, special campaigns against patent infringement and counterfeit goods were launched to effectively safeguard the lawful rights and interests of right holders and innovation bodies. As a result, the public satisfaction index of Chinese IP protection of 2013 was 64.96, up 1.27 over 63.69 of 2012.

The improvement of satisfaction is an affirmation that China's IP protection is enhancing. It also reflected that the whole society have strong demand for stepping up IP protection.

http://english.sipo.gov.cn/news/iprspecial/201405/t2014 0516_950293.html

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Chinese Patent Filings Abroad Increased Significantly

The World Intellectual Property Organization (WIPO) recently revealed in a report that the growth of Chinese patent filings abroad increased significantly since 2000.

Statistics show that almost 70 percent of the Chinese overseas patent families were owned by firms, while the share of universities and research institutes in total patent families is about 6 percent. The report also lists digital communication, computer technology, nanotechnology, semiconductors as well as telecommunications as the fastest growing fields.

http://english.sipo.gov.cn/news/iprspecial/201406/t2014 0605_960614.html

Trademark Registration Continues Its Rapid Growth

In 2013, the Chinese Trademark Office accepted 1,881 million trademark applications, a year-on-year increase of 14.15%, a record high. The Office also accepted 34,667 applications filed for oppositions, a decrease of 4.58% compared with the previous year, which showed the ratio of acceptance to preliminarily approved trademarks was highly improved.

In addition to the above cases, the Office further accepted 119,324 applications for renewal, an increase of 11.54%; 177,239 for modifications of registered items, an increase of 16.46%; 113,364 for changes in ownerships, an increase of 7.36%; 21,414 for trademark cancellations and annulments, an increase of 28.47%; 29,438 for record of trademark licenses, a decrease of 4.31%; and 53,008 for Madrid trademark international registrations, an increase of 9.1%. <u>http://www.saic.gov.cn/sbjenglish/sbyw_1/201405/t2014</u> 0516_145216.html

China Suspends Anti-Monopoly Investigation against IDC

Recently, China's National Development and Reform Commission (NDRC) announced an suspension of the anti-monopoly investigation against InterDigital Group of Campanies (IDC).

It is generally believed in the industry that the case has relationship with the royalty dispute between IDC and Huawei Technologies Co.,Ltd. IDC and Huawei have been negotiating about royalties of 2G and 3G patents since Sep. 2008, but still not reach to an agreement so far.

NDRC made the decision based on the Antimonopoly Law of China, Article 45, in consideration that the measures IDC promised to implement could eliminate suspended monopoly, enable Chinese companies practice in fair competition, and restore the order of market competition. NDRC would supervise IDC to keep its promises. If IDC withdraw the promises or else, NDRC will restart the investigation. <u>http://english.sipo.gov.cn/news/iprspecial/201406/t2014</u> 0611 964011.html

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