

Newsletter May, 2016

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Intellectual Property Week Shows China's Progress

In China Intellectual Property Week 2016, Francis Gurry, director general of the World Intellectual Property Organization (WIPO), expressed that China is home to "vibrant, extremely important and rapidly growing" creative industries, such as the film sector where the country has seen "spectacular growth".

China filed nearly 30,000 international patent applications under Patent Cooperation Treaty (PCT) in 2015, a 16.8% rise from the previous year. It is now the third largest filer of international patent applications under PCT.

Various activities were launched in the IP with the general theme of "Digital Creativity: Culture Reimagined".

http://english.sipo.gov.cn/news/official/201604/t201604 28 1266204.html

Chinese Patents Transferred over 110,000 Times in 2015

According to the 2015 report on Chinese patent operation, patent transfer remains the major type of Chinese patent operation.

In 2015, over 110,000 times of transfer assignment were observed, followed by patent license of 16,514 times and patent pledge of 10,998 times. Electrical date processing was the most active technical field of patent operation.

http://english.sipo.gov.cn/news/official/201605/t201605

Annual Report on Survey of PCT System in China Released

The State Intellectual Property Office released an annual report on PTC system in China 2015 in late April.

The report shows that while China continues filing a large number (29,800) of PCT applications in 2015, the ones that subsequently enter into national phase are still few in number.

The high cost is the main obstacle for Chinese entities to file PCT applications. Most of the medium and small sized enterprises and some of the enterprises preparing to go overseas have limited knowledge about PCT system.

http://english.sipo.gov.cn/news/official/201604/t201604 27 1265688.html



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Approval of IP Enforcement Continues to Climb

Enforcement remains the most concerning intellectual property issue in China yet public satisfaction with it has increased in the past year, according to the latest report on IP satisfaction on the Chinese mainland.

The report shows that satisfaction with enforcement has continued to grow for four consecutive years.

However, the report also shows that respondents were most dissatisfied by the severity of infringements and delayed and inadequate compensation for damages.

The report also indicates that it is necessary to increase non-litigation resolution channels for IP disputes and offer multiple solutions.

http://english.sipo.gov.cn/news/iprspecial/201605/t2016
0510 1268561.html

US Winery Pours Praise on Zhanjiang for IPR Enforcement

The administration for industry and commerce of Zhanjiang's Suixi county, Guangdong province recently received a letter of appreciation from the US-based world's largest family-owned winery E.&J. Gallo Winery, due to the government body's protection of the company's intellectual property rights in January.

The administration, after E.&J. Gallo Winery reported an unauthorized use of its registered trademark in the sale of wine products,

ordered the infringer Suicheng Tenghui
Winery to stop the infringing activities and
issued a penalty to the target store. E.&J.
Gallo Winery said that the administration's
actions had effectively protected the benefits
of both consumers and the brand owners, in
line with the concept of building a harmonious
society as stated by the Chinese central
government.

http://www.chinaipr.gov.cn/article/internationalupdates/ 201605/1889875.html

Foreign IP Disputes on the Increase

With more frequent economic and trade exchanges between China and the world, IP disputes involving foreign litigants nationwide rose from 2,840 in 2013 to 5,675 in 2015.

Of the IP administrative cases involving foreigners, most were related to patents and trademarks, while those involving business secrets have also risen rapidly in recent years, according to Song Xiaoming, the chief judge of a civil tribunal for IP cases under the Supreme People's Court.

A report by IP House, a third-party IP institute that analyzed 5,022 verdicts from 5,432 IP cases heard by the Beijing IP Court recently, found that 1,095 were related to foreign litigants. Of the foreign cases, 395 involved US enterprises, 2.7 times more than those from Germany, which was second on the list, the institute said.

http://english.sipo.gov.cn/news/iprspecial/201604/t2016 0426_1265436.html



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Reward and Remuneration for Service Inventions in China

As international enterprises increasingly set up their own R&D teams in China, it can be expected that more and more inventions will be made in the country. Multinationals should thus familiarize themselves with the reward and remuneration regime for service inventions, to reduce the risk of disputes arising.

We summarized the points that should be taken into consideration. The article is first published in *China: Managing the IP Lifecycle 2016/2017*, a supplement to Intellectual Asset Management and World Trademark Review, published by Globe Business Media Group – IP Division.

 $\underline{http://afdip.com/index.php?ac=article\&at=read\&did=2}$

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PRB to Release Real-Time Determinations of Patent Invalidation Cases

To improve the timeliness of information, the Patent Reexamination Board (PRB) of the SIPO starts an online column to release the real-time determinations of patent invalidation cases on its website, as from April 26, 2016.

In before, the PRB releases its determinations of patent invalidation cases through the SIPO's Gazette regularly. The determinations can also be found on PRB's website a week after they have been issued.

http://english.sipo.gov.cn/news/official/201604/t201604 27 1265856.html

SAIC to Crack Down Online Trademark Infringement from May to November 2016

On 5 May 2016, State Administration for Industry and Commerce (SAIC) announced the "Special action program for online market supervision in 2016", according to which, from May to November, nationwide SAIC branches and market regulators will make depth online market supervision and optimize online consumption environment, against online trading platform and online trademark infringement, the sale of counterfeit and shoddy goods, false propaganda, scalping and other priority law issues.

http://www.chinaipmagazine.com/en/newsshow.asp?id=8573

China, WIPO Ink New Agreement to Enhance Global IP Cooperation

China and the WIPO signed a memorandum of understanding, placing particular emphasis on the use of Madrid System.

According to statistics, China ranked sixth in 2015 in terms of the number of applications filed under the Madrid System, with 2,321 applications filed by Chinese applicants.

"In the future, we'll continue to encourage Chinese enterprises to use trademarks in their 'Go Global' strategy, strengthen the promotion, training and consultancy of the Madrid System, and carry out universal education on international registration of trademarks," said SAIC minister Zhang Mao.

http://english.sipo.gov.cn/news/iprspecial/201605/t2016 0512_1268875.html