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AFD China Fully Recommended by Asia IP Surveys

AFD China was given a Tier 2 ranking as a recommended patent prosecution firm by the 2016 Asia IP Patent Survey. Our name also appeared in Tier 3 in patent contentious.

In parallel, we made to the Trademark Survey being listed in both category of trademark prosecution and trademark contentious.

Furthermore, in the recent-published Asia IP Experts 2016, our president Ms. Xia Zheng is listed as an expert in the categories of Patents, Trademarks, Litigation, Enforcement, and Pharma & Biotech.

<u>http://afdip.com/index.php?ac=article&at=read&did=2</u> 632

Supreme Court Vows Better Protection for Private Investment

The Supreme People's Court (SPC) has issued a circular on proper handling of civil and commercial cases to boost healthy development of private investment.

The circular calls for tougher punishments for violations of intellectual property rights and urged prohibiting the abuse of dominant market positions in accordance with the law.

Private undertakings are encouraged to raise funds through multiple channels, said the document, adding that the courts will protect private financial innovations and crack down on illegal fundraising.

The circular also stressed that coercive measures, including detention as well as seizing and freezing assets, should be used with caution, in a bid to minimize undue influence over normal business operations. <u>http://english.sipo.gov.cn/news/iprspecial/201610/t2016</u> <u>1026 1298011.html</u>

China's Applications of Industry Design Patent Evaluation Report Exceed 20,000

According to the recent data from the State Intellectual Property Office (SIPO), as of the day of October 28th, 2016, the totally amount of applications of China's industry design patent evaluation report exceeded the benchmark of 20,000.

It is reported that, the evaluation reports of industry design patent system was put into force on October 1st, 2009. Then the Patent Law amended in 2008 added this legal conception for the first time.

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In July 2010, SIPO received its first application of industry design patent evaluation report. From then on, the yearly amount of applications of industry design patent evaluation report increased rapidly. In that year (2010), only 33 applications of industry design evaluation report were submitted to SIPO, while the number reached to 390 in 2011 and rose to 6,032 in 2015. <u>http://english.sipo.gov.cn/news/official/201611/t201611</u>

<u>16_1301686.html</u>

Expert Advice Helps Boost IP Dispute Settlement Rate

Beijing Intellectual Property Court (BIPC) set up a technical investigation office in October 2015, in a move to ensure its case hearings were more professional.

The BIPC has ascribed a recent rapid increase in case settlements to a cohort of newly-hired technicians and their expert knowledge and advice.

According to the BIPC's statistics, technicians were involved in investigating 250 IP cases last year, and provided their professional advice in 110 reports.

The BIPC now has a total of 39 technicians, 34 of whom are part-time employees from universities and technology or science institutes. "Thanks to their advice, our case settlement rate has risen 87 percent year-onyear," said Yi Jun, the office head.

<u>http://english.sipo.gov.cn/news/iprspecial/201610/t2016</u> <u>1028_1298569.html</u>

Decision Will Mark Shift in GUI Protection

Beijing-based anti-virus software developer Qihoo 360 Technology Co. applied for design patents for three types of its graphic user interface (GUI) in 2014, which were approved by SIPO.

In April 2016, the company sued its competitor Beijing Jiangmin New Science and Technology Co. at the BIPC, claiming the latter's software was developed using Qihoo 360's GUI design patents without authorization, and asked for compensation of 10 million yuan (\$1.5 million). The BIPC heard the case on Sept 21. The focus of the case is whether the involved patents are markedly different from existing designs. The evidence from both sides included saved web pages, patent documentation and other publications.

In parallel, Jiangmin filed six appeals with the Patent Reexamination Board (PRB) of the SIPO requesting to invalidate all the three involved patents from Qihoo. The PRB held a public hearing on Oct. 28, 2016 for this dispute - the nation's first case involving GUI designs.

The results have not been issued yet. No matter the result, this case will have profound influence over the GUI design business in China. We will continue report the developments.

http://english.sipo.gov.cn/news/iprspecial/201611/t2016 1102_1299287.html

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Newsletter November, 2016

Alibaba Says It Wages War on Fakes

Alibaba Group Holding Ltd said it has tightened policies against copyright infringements and made it easier for brands to issue complaints and request removal of counterfeit items on its platforms.

China's biggest e-commerce company took down 380 million product listings and closed about 180,000 Taobao stores in the 12 months to August, according to an Oct letter the company submitted to the US Trade Representative (USTR). It has also closed about 675 production, storage, or sales operations of counterfeit products, it added.

The efforts seek to address repeated complaints Alibaba has received from associations which criticize it for not taking enough proactive measures to fight counterfeits. As Alibaba seeks to bring in more than half its revenue from overseas, shaking off a reputation as a haven for knockoffs and winning the trust of foreign brands will be a key to expansion outside of China.

The American Apparel & Footwear Association said earlier this month that the USTR should reinstate Alibaba and its constituent platforms on the US government's Notorious Markets list, a designation applied to websites and markets where there is largescale copyright infringement. Alibaba was removed from the Notorious Markets list in 2012. Alibaba said starting in January it would become more stringent on repeat infringers, expediting the closure of accounts that accumulated three infractions.

The company has the capacity to process 100 million pieces of data per second, which enables it to scan more than 10 million product listings a day.

To strengthen its copyright protection team, Alibaba in January appointed Matthew Bassiur as vice-president of its global intellectual property department. <u>http://www.chinaipr.gov.cn/article/industryreports/2016</u> <u>10/1896534.html</u>

Development of Liability Insurance Products for Overseas IP Infringement Makes New Progress

To implement the requirements of "actively promoting the insurance work for overseas intellectual property infringement" and offer guidance and protection for the Chinese enterprises to "go global," the SIPO and the People's Insurance Company of China (PICC) have quickened their steps in developing overseas IP infringement liability insurance in the past months and the development work has almost finished. A training session for the product has been held recently.

Besides the overseas IP infringement liability insurance, other license insurance are under development include the intellectual property license insurance.

http://english.sipo.gov.cn/news/iprspecial/201611/t2016 1104_1299820.html

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