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China Grants a Significant 77.56% More Invention Patents in First Two Months

China granted significantly more invention patents in the first two months of 2024 compared to the same period last year. The China National Intellectual Property Administration (CNIPA) reported a 77.56 percent increase in patents issued. According to the report, a total of 152,258 invention patents were granted between January and February this year. Most of these patents were issued to enterprises, showing the highest growth rate compared to universities, research institutions, and individuals. However, there was a decrease in utility model and design authorizations. This resulted in a 9.9 percent overall decrease in the total number of these three types of patents, as stated in the report.

<https://www.chinaipmagazine.com/en/news-show.asp?id=12883>

CNIPA Releases 2024 Budget

CNIPA has released its 2024 budget on March 26. The budget allocates 5.06 billion RMB for patent acceptance and approval. CNIPA aims to process over 2.026 million patent applications within a period of less than 16 months, with total new applications expected to surpass 4.79 million, including inventions and utility models. Additionally, CNIPA targets a minimum of 4,500 individuals passing the patent agent qualification exam and plans to examine 7.06 million trademark

applications, with the average review period for trademark applications set to be controlled at 4 months.

<https://www.chinaipmagazine.com/en/news-show.asp?id=12882>

Lithium Battery Manufacturer ATL Won Injunction against its Chinese Rival COSMX in German Court

The German court issued what may be the first injunction in the lithium battery industry. COSMX may face the choice of settling with its Chinese rival ATL or withdrawing from the German market, given its loss in two invalidation challenges against the disputed patent.

On March 19, lithium battery manufacturer COSMX announced that the Munich District Court in Germany had issued an injunction against the company in response to a dispute initiated by its Chinese rival, ATL.

According to the announcement, the Munich District Court's first-instance civil judgment instructed COSMX and its subsidiaries to halt the provision and sale of the disputed products in Germany. Additionally, they were mandated to furnish ATL with pertinent information and explanations regarding the infringement, assume responsibility for compensating ATL (although the exact amount remains undetermined), and cover the litigation expenses.

The conflict between the two parties in Germany traces back to March 21, 2023, when COSMX revealed ATL's lawsuit alleging infringement of its European patent EP3,627,606 B1 against the company and its subsidiaries.

The European patent EP3,627,606 B1, titled "An Electrolyte and an Electrochemical Device," mainly involves electrolytes comprising "2-nitriles, 3-nitriles, and propionic acid propyl esters," as outlined in the specification.

ATL requested the court to:

1. Order the defendants to (1) cease providing, selling, and importing the implicated products in Germany; otherwise, they may face a maximum fine of €250,000 or a maximum of 6 months imprisonment upon court order as an alternative. (2) provide information on manufacturers, suppliers, etc., related to the sale of the implicated products within a specified period, along with details on quantity, price, cost, profit, etc., of the products produced and delivered within the same period. (3) recall the implicated products in Germany.
2. Require the defendants to jointly compensate the plaintiff for the losses incurred due to infringement within a specified period.
3. Mandate the defendants to bear the litigation costs.

It is evident from the comparison that ATL's litigation requests were largely supported by the court.

The primary contention in the case revolved around whether the court would approve the "injunction relief." Ultimately, the German court issued what may be the first injunction in the lithium battery industry.

This means that upon ATL's application for enforcement of the injunction, COSMX's end products implicated in the alleged infringing technology will be prohibited from sale in Germany.

In recent years, automotive giant Daimler and mobile phone giant OPPO encountered similar situations in German courts due to patent infringement, both facing Nokia as their opponent.

Daimler settled with Nokia, while OPPO initially withdrew from the German market until reaching a settlement with Nokia this year.

Likewise, COSMX may face the choice of settling with ATL or withdrawing from the German market, given its loss in two invalidation challenges against the disputed patent.

On August 8, 2023, the Patent Trial and Appeal Board of the United States Patent and Trademark Office (USPTO) upheld the validity of US Patent US10,833,363, which is in the same family as European Patent EP3,627,606 B1.

Similarly, the Chinese counterpart of EP3,627,606 B1, CN109301326B, was upheld as valid by the CNIPA on July 19, 2023.

Since the patent dispute erupted between both parties in 2021, the battleground has expanded from China to the United States and further extended into Europe.

It is foreseeable that as similar cases increase gradually and their influence grows, more Chinese companies may seek to venture beyond their domestic jurisdiction. They may aim to gain a legal advantage in foreign jurisdictions, apart from Chinese courts, in the future, according to IP analysts.

<https://www.chinaipmagazine.com/en/news-show.asp?id=12884>

CNIPA Deputy Commissioner Meets with INTA CEO in Beijing

Hu Wenhui, Deputy Commissioner of the CNIPA, met with a delegation led by Etienne Sanz de Acedo, Chief Executive Officer (CEO) of the International Trademark Association (INTA) in Beijing.

Hu introduced the CNIPA's key tasks for 2024, achievements made in continuous efforts to improve the quality and efficiency of trademark examination, and related measures to strengthen trademark protection to the INTA delegation. He hoped that both parties would continue to maintain close communication and welcomed more constructive suggestions from the INTA on the IP development in China.

Acedo highly praised the achievements China has made in IP, particularly in trademark, and shared details about the arrangements for INTA's 2024 Annual Meeting in Atlanta. He said that the INTA is willing to strengthen exchanges and cooperation with the CNIPA across various platforms.

The two sides also exchanged views on the amendment of China's Trademark Law and the crackdown on malicious trademark registrations. CNIPA principal officials responsible for relevant departments attended the meeting.

http://english.cnipa.gov.cn/art/2024/4/9/art_1340_191464.html

Shen Changyu Attends and Speaks at High-level Roundtable on “Intellectual Property for Sustainable Development” of Boao Forum for Asia Annual Conference 2024

On March 28, the High-level Roundtable on "Intellectual Property for Sustainable Development" of the Boao Forum for Asia (BFA) Annual Conference 2024 was held in Boao, Hainan. Shen Changyu, Commissioner of the CNIPA, was invited to attend the roundtable meeting and deliver a speech.

Shen noted that sustainable development is an important issue related to the future survival and advancement of humanity. The IP system, as the fundamental safeguard for inspiring innovation, plays a significant role in promoting sustainable development. The CNIPA is earnestly committed to

implementing the important instructions of President Xi Jinping, fully leveraging the positive role of the IP system in strengthening green technology innovation and application, and effectively supporting the green transformation and upgrading of industries. The CNIPA is willing to continue working with the World Intellectual Property Organization (WIPO) and IP authorities of various countries to deepen pragmatic cooperation, promote exchanges and mutual learning, and jointly build a more dynamic global IP ecosystem, aiming to explore paths for green development and create a better future.

At the roundtable meeting, many speakers delivered speeches or participated in discussions, including Li Baodong, Secretary General of the BFA, Daren Tang, Director General of the WIPO, Zhang Jianjun, Vice Minister of the Publicity Department of the Central Committee of the Communist Party of China (CPC), Pu Chun, Vice Minister of the State Administration for Market Regulation, Yu Yingjie, member of the Standing Committee and Secretary of the Education Work Committee of the CPC Beijing Municipal Committee, Denis Bohoussou, Director General of the African Intellectual Property Organization (OAPI) and Bemanya Twebaze, Director General of the African Regional Intellectual Property Organization (ARIPO).

http://english.cnipa.gov.cn/art/2024/4/9/art_1340_191462.html

China may Overtake Japan in Patent Filings at EPO

China is likely to overtake Japan and become the third-largest patents filer at the European Patent Office (EPO) this year, according to an analyst.

This comes as Chinese companies show continued innovation prowess and embrace the international intellectual property system for IP protection.

The EPO's latest data showed that Chinese companies and inventors filed 20,735 patent applications in 2023, trailing Japan's 21,520 applications, Germany with 24,966 and the United States with 48,155.

Aidan Kendrick, chief business analyst at the EPO, told China Daily in an exclusive interview that patent applications from Chinese companies at the EPO grew by 8.8 percent year-on-year in 2023.

"It is always difficult to make forecasts, but if one were to extrapolate the trends of patent applications from China and the next higher-ranked countries, China could move up a spot to rank third already in 2024," Kendrick said.

According to him, the growth in 2023 is part of a trend as patent filings from China at the EPO have more than doubled over the past five years. Patent filings from Chinese companies and research institutes now account for more than a tenth of all applications at the EPO.

The main drivers for growth from China in 2023 were increases in filings in China's top two technical fields: electrical machinery, apparatus, energy (which includes battery technologies) and digital communication, including inventions related to mobile network technology, Kendrick said.

In the sub-field of battery technology, China has increased its share significantly in the past five years, and now accounts for 20 percent of all patent applications at the EPO. In 2023, three Chinese companies (CATL ranked No 2, Amperex 6th and BYD 8th) were among the top 10 applicants at the EPO for battery technology-related patent applications.

Meanwhile, patent applications from Chinese firms increased in organic fine chemistry; China National Chemical Corp was ranked No 5 in this technology field at the EPO in 2023 among all companies. Patent applications from China have also increased in several other fields, including medical technology with annual growth rate of 27.7 percent in 2023

and biotechnology with an annual growth rate of 23.7 percent.

"This shows that while Chinese companies are still highly specialized in key technologies, they are increasingly patenting in a diverse range of other fields, so innovation is taking place across key sectors," Kendrick said.

"The increased presence of Chinese companies across the leading technology fields in the latest Patent Index reflects their investments in R&D and their focus on high-growth technology sectors, from digital communication and electrical machinery to medical technology and biotechnology, and their interest in protecting their inventions on the European market," he added.

Specifically, Huawei has been the top applicant at the EPO in five of the past seven years; the company increased its filing in 2023 to more than 5,000 applications at the EPO. There are seven Chinese companies among the Top 50 applicants at the EPO including Huawei, ZTE, Contemporary Amperex, Oppo Mobile, Vivo Mobile, Xiaomi and Honor Device.

Asked about China's latest emphasis on nurturing new quality productive forces, Kendrick said the country has focused greatly on innovation and IP protection in recent years as a key factor for the growth of its economy.

"The country's remarkable growth in terms of patent applications shows that Chinese companies are increasingly protecting their inventions," Kendrick said.

According to him, the EPO has worked closely with the China National Intellectual Property Administration for nearly four decades to align and strengthen intellectual property protection in China and Europe in order to foster innovation, support bilateral trade and investment, and support Chinese and European innovators.

<http://chinaipr.mofcom.gov.cn/article/internationalupdates/202404/1985236.html>

Shen Changyu Holds Talks with WIPO DG Daren Tang

On March 25, Shen Changyu, Commissioner of the CNIPA, held bilateral talks with the visiting Daren Tang, Director General of the WIPO.

Shen said that the CNIPA highly values its cooperation with the WIPO and has seriously implemented the spirit of the congratulatory letter sent by President Xi Jinping to the commemorative event marking China-WIPO 50th anniversary of cooperation and flagship events of national IP publicity week. The CNIPA has been actively participating in the IP multilateral affairs under the WIPO framework, maintaining close communication and cooperation with the WIPO, and achieving many pragmatic results. Looking to the future, China will unswervingly support the work carried out by the WIPO in implementing the United Nations Sustainable Development Agenda, and look forward to further deepening cooperation with the WIPO in areas including IP cooperation under the Belt and Road Initiative (BRI) and the Patent Cooperation Treaty (PCT), making greater contributions to the global innovative development.

Tang highly praised the constructive role China has played in international IP affairs, as well as the new progress and achievements China has made in the IP field. He noted that the Chinese government regards new quality productive forces as the key driving forces for future development, which is conducive to better inspiring IP creation and achieving innovation-driven development. The WIPO is willing to continuously strengthen exchanges and cooperation with the CNIPA, carry out more effective projects based on the WIPO Fund-in-Trust China, and cultivate a more open and inclusive global IP ecosystem.

The two sides also had an in-depth exchange of views on other issues of mutual concern and reached a consensus on making arrangements for the celebration of the 30th

anniversary of China's entry into the PCT system.

Daren Tang and his delegation also visited the Patent Examination Cooperation Guangdong Center of the Patent Office under the CNIPA. Wang Binying, Deputy Director General of the WIPO, participated in the aforementioned events.

http://english.cnipa.gov.cn/art/2024/4/2/art_1340_191362.html

SUPPLEMENTARY ISSUE

AFD China Was Once Again Honored as an AAAAA-Level (Top Tier) Patent Agency

On March 22, 2024, Beijing Patent Attorneys Association announced the rating results of the year 2023 for patent agencies in Beijing. AFD China Intellectual Property Law Office was once again rated as an AAAAA-level patent agency.

AFD China has been consecutively recognized as an AAAAA-level patent agency in 2017 and 2020, which is a recognition and affirmation of our firm's commitment to providing efficient and professional intellectual property agency services to clients. In the three years from 2020 to 2023, we have continuously accumulated experience through practice, optimized our firm's management in an all-round way, focused on improving professional capabilities and staff training, improved the internal learning and training mechanism, expanded learning resources and learning methods, and strived to combine personal improvement of employees with the firm's development, so as to provide clients with one-stop patent agency services with collective wisdom and strength.

Winning the recognition as an AAAAA-level patent agency again this time is not only an affirmation of our excellent performance in the field of patent agency, but also a recognition of our efforts to continuously optimize work processes and improve work efficiency.

AFD China will continue to adhere to the philosophy of "professionalism, efficiency, and integrity", providing clients with even better and more efficient intellectual property agency services, and contributing to the development of China's innovation industry.