Major Characteristics and Latest Development of China’s Intellectual Property System

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Deputy Commissioner
The State Intellectual Property Office of the P.R.China
Sydney, October 15, 2017
The Strategy of Rejuvenating the Country through Science and Education was put forward on May 6, 1995.

“Science and Technology are the primary productive force”

The target of S&T development in the next 15 years: to build China into an innovation-oriented country by 2020.

In 2016, Outline of the National Strategy of Innovation-driven Development was promulgated.

The Strategy of Innovation-driven Development
Encourage Investment in Innovation
(To incentivize innovation and solve the problem of market malfunction)

Control Innovation Competition
(To protect the innovative results and grant innovators market exclusive rights within a certain period of time)

Optimize Innovation Environment
(To allocate innovation resources in order to improve the utilization of resources)

IP System
Right holder
Public
The Chinese Government Highly Prioritizes Intellectual Property

Outline of National Intellectual Property Strategy
2008.06

Opinions on Accelerating the Building of An Intellectual Property Powerhouse in the New Situation
2014.07


The National Intellectual Property Protection and Utilization Plan under the 13th Five Year Plan
2015.12

Opinions of the Central Committee of CPC and the State Council on Improving Property Right System and Protecting Property Right according to Law
2016.11

Opinions of the State Council on Strengthening the Combat of Intellectual Property Infringement and Making and Selling of Counterfeited and Shoddy Goods in the New Situation
2016.12

Opinions of the Central Committee of CPC and the State Council on Improving Property Right System and Protecting Property Right according to Law
2017.03

The National Intellectual Property Protection and Utilization Plan under the 13th Five Year Plan
### Global Innovation Index rankings

<table>
<thead>
<tr>
<th>Country/Economy</th>
<th>Score (0–100)</th>
<th>Rank</th>
<th>Income</th>
<th>Rank</th>
<th>Region</th>
<th>Rank</th>
<th>Efficiency Ratio</th>
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<td>0.79</td>
<td>19</td>
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</tbody>
</table>

(Source: WIPO GII 2017)
Trend in patent applications for the top five offices

(Source: WIPO Intellectual Property Indicator 2016)
A50 PCT applications for the top 20 origins, 2015

(Source: WIPO Intellectual Property Indicators 2016)
IP Laws

- The Patent Law of China
- Implementing Regulations of the Patent Law
- Regulations on Computer Software Protection
- Regulations on the Protection of Layout Design of Integrated Circuits

IP Administrative Regulations

- The Trademark Law of China
- Implementing Regulations of the Trademark Law
- Regulations on Customs Protection of IP Rights

- The Copyright Law of China
- Implementing Regulations of the Copyright Law
- Regulations on Protection of New Varieties of Plants
### Consistent with International Rules

#### List of Major International Conventions and Treaties Accessed by China

<table>
<thead>
<tr>
<th>Conventions and Treaties</th>
<th>Status</th>
<th>Time</th>
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<tbody>
<tr>
<td>Convention Establishing the World Intellectual Property Organization</td>
<td>Effective</td>
<td>1980</td>
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<tr>
<td>Paris Convention for the Protection of Industrial Property</td>
<td>Effective</td>
<td>1985</td>
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<tr>
<td>Madrid Agreement Concerning the International Registration of Marks</td>
<td>Effective</td>
<td>1989</td>
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<tr>
<td>Treaty on Intellectual Property in Respect of Integrated circuits</td>
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<td>1989</td>
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<tr>
<td>Berne Convention</td>
<td>Effective</td>
<td>1992</td>
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<tr>
<td>Patent Cooperation Treaty</td>
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<td>1994</td>
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<td>Locarno Agreement Establishing an International Classification for Industrial Designs</td>
<td>Effective</td>
<td>1996</td>
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<tr>
<td>Strasbourg Agreement Concerning the International Patent Classification</td>
<td>Effective</td>
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<tr>
<td>International Convention for the Protection of New Varieties of Plants</td>
<td>Effective</td>
<td>1999</td>
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<tr>
<td>World Intellectual Property Organization Copyright Treaty</td>
<td>Effective</td>
<td>2007</td>
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<tr>
<td>WIPO Performances and Phonograms Treaty</td>
<td>Effective</td>
<td>2007</td>
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<tr>
<td>Marrakech Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled</td>
<td>Signed (not yet effective)</td>
<td>2007</td>
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<tr>
<td>Beijing Treaty on Audiovisual Performance</td>
<td>Signed (not yet effective)</td>
<td>2012</td>
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</table>
IP Law Enforcement in China

The Number of Patent Cases Handled by Administrative Law Enforcement

The Number of Civil Cases of First Instance vs Criminal Cases of First Instance

Average Damages for Patent Infringement (Beijing IP Court)
Public Service System for IP Protection

- 17 fast-track IP protection centers
- 12330 hotline for IP Legal Assistance
- National pilot service for IP disputes arbitration and mediation
- 76 fast-track IP protection and assistance centers
- +

12330 hotline for IP Legal Assistance

www.sipo.gov.cn
Matrix of IP Administration

Horizontal IP Administration

Vertical IP Administration

The State Council Inter-Ministerial Conference for Implementation of the National IP Strategy
- 31 government departments as members
- SIPO as the leading agency
## Further Perfection of IP Laws and Regulations

<table>
<thead>
<tr>
<th>Amendment</th>
<th>Description</th>
</tr>
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</table>
| 4th Amendment of China’s Patent Law | Listed in the 2017 State Council legislation work plan, as “a project that endeavors to be completed in 2017”.  
- New articles concerning punitive damages  
- New articles concerning patent protection under Internet Environment  
- Improvement of industrial design protection |
| 3rd Amendment of China’s Trademark Law | Entry into force on May 1, 2014  
- Further improvement of the registration system  
- Standardization of substantial criterion for trademark registration |
| 3rd Amendment of China’s Copyright Law | Passed the second legislative deliberation of the Standing Committee of the NPC.  
- Further enlargement of the scope of rights  
- New articles concerning punitive damages |
Constant Intensification of Intellectual Property Protection

- Comprehensive utilization of various protection channels including examination and granting, administrative law enforcement, judicial adjudication, arbitration and mediation, industry self-regulation, and social supervision.

- All enterprises will enjoy equal protection of the IP rights in China.

- Fast Protection

- Realize fast-track coordination and interaction of examination, IP verification, and IP protection.

- Strengthen IP Protection

- Raise punitive damages, and those offending the criminal law shall be prosecuted for their criminal liability.

- Equal Protection

- Strict Protection
Realization of IP’s Market Value is Highly Prioritized

A national public service platform for IP operation is under construction, aiming at facilitating IP transfer, licensing, purchase, trading, financing and commercialization.

Cultivate hundreds of national operation agencies and industrial IP operation alliances.

Operation Platform

Operation Agencies

Operation Funds for Key Industries

Risk Compensation Funds for Pledge Financing

Operation Funds for key industries have been established in 20 provinces and cities, including Beijing, Shanghai and Sichuan.

Risk compensation funds for pledge financing have been established in some provinces so as to provide risk protection.
Promotion of IP Awareness

IP Publishing House

- Patent documentation
- Books related to law and culture
- IP related Books

Over 600 kinds of books are published annually.

Over 100 kinds of books are republished annually.

IP Newspaper

- General news
- Enterprise news
- Local news
- Patent weekly
- Trademark weekly
- Copyright weekly

China IP News Website (www.iprchn.com), China Enterprise IP Website (www.cnelp.org.cn), SIPO Wechat Official Account

IP Promotion Campaigns

- World IP Day
- China Patent Week
- IP Publicity Week

During the IP Publicity Week (April 26th) in 2016, over 2,000 publicity activities were organized in localities nationwide.

IP Education and Training

In 2015, 30 primary and secondary schools were selected as the first batch of IP education pilots. In 2016, another 30 primary and secondary schools were listed in the pilot project.
Equality and Mutual Benefits

Win-win Cooperation

“Belt and Road” IP Cooperation Initiative

Cooperation with WIPO

IP5, ID5, IP BRICS

Cooperation with NGO

Cooperation with developing countries
Two Major Tasks in the Future:

- Inclusive, Comprehensive, Balanced, Efficient
- Better Services for Users and the Public
Thank you!