

## **China's Intellectual Property Protection in 2007**

04-18-2008

State Intellectual Property Office

National Copyright Administration

Trademark Office under the State Administration for Industry and Commerce

In 2007, China made great progress in the field of intellectual property work. Laws and regulations concerning intellectual property rights were further perfected. The number of patent applications from home and abroad handled by China reached 4 million, up from 3 million in just 18 months. By the end of 2007, the total number of trademark applications exceeded 5.6 million and the number of registered trademarks exceeded 3 million. Copyright protection work was also highly effective. The efforts of customs, public security and cultural departments in tackling intellectual property rights infringements have achieved remarkable results. The number of granted rights for new varieties of plant witnessed stable growth. Judicial protection of intellectual property rights has improved steadily and international cooperation has expanded continually.

### **I. A great progress in intellectual property rights protection**

The year 2007 was important in the development of intellectual property rights in China. President Hu Jintao brought forward the "Implementation of Intellectual Property Rights Strategy" in his report to the Seventeenth National Congress of the Communist Party of China. The study on 20 special topics related to national IP strategy concluded as planned. Research on the Outline of National Intellectual Property Rights Strategy was substantial, and an overall plan for the future development of intellectual property rights in China was established with the basic direction for the further development of intellectual property rights work in all aspects defined. According to the Party Central Committee and the State Council, the national intellectual property rights strategy has

now shifted from “formulation” to “implementation”, which indicates that the intellectual property rights work of China is now entering a new development phase.

## **II. Constant increase in patent applications and grants, and remarkable effect on patent work**

In 2007, the number of patent applications received by the State Intellectual Property Office (SIPO) was 694,153, with an increase of 21.1% compared with last year; the number of PCT applications totaled 5,401 over the year and 364 international preliminary reports were issued. A total of 351,782 patents were granted in the year, an increase of 31.3% on the previous year; wherein, 301,632 patents were granted at home, an increase of 34.7% compared with the previous year, and 50,150 foreign patents were granted, an increase of 13.6%. Over the year 2,565 requests for reexamination were processed, 11.4% or 329 cases less than in 2006. 3,514 requests for reexamination were concluded. Requests for invalidation in 2007 reached 2,183, a decrease of 11.5% and 285 less than in 2006. A total of 2,183 cases of invalidation were concluded. In 2007, 428 registration applications for the layout design of integrate circuits were handled and were registered and published with 345 certificates issued.

## **III. Constant improvement in trademark examination capability and noticeable progress in trademark protection**

In 2007, the Trademark Office (TMO) under the State Administration for Industry and Commerce (SAIC) handled 708,000 trademark registration applications wherein, the number of domestic trademark registration applications was 605,000, and the number of foreign trademark registration applications handled was 103,000. The TMO examined 405,000 trademark registration applications, an increase of 29.3% compared with the previous year. This was the first time the annual number of trademark registration applications had exceeded 400,000. Moreover, the TMO approved 263,000 registered trademarks over the year.

In 2007, the SAIC issued and implemented the Measures for the Administration of Special Signs of Geographical Indication Products and approved and registered 82 geographical indications. In the same year, the TMO and the Trademark Review and Adjudication Board (TRAB) recognized 197 well-known trademarks according to law. The TRAB received 17,574 applications on trademark review and adjudication, an increase of 17.5%, and concluded 12,799 cases of trademark review and adjudication, an increase of about 200% compared with the previous year.

Also in 2007, offices of industrial and commercial administration at all levels across China investigated and prosecuted 50,318 cases of trademark violations, wherein 10,320 cases involved foreign parties, an increase of 7.9 %. A total of 28.17 million illegal trademark signs were captured and removed, with an infliction of fine of 417.63 million yuan; 229 cases and 228 suspect offenders were transferred to judicial authorities.

#### **IV. Combining special actions with daily supervision has remarkable effect in copyright protection**

In 2007, departments of copyright administration of all levels across China continuously improved the construction of a copyright legal system. The National Copyright Administration of China (NCAC) cooperated with other departments to further implement administrative enforcement and strengthen the force in striking software piracy. A special campaign against internet piracy was waged by the NCAC. On September 28, the Reporting Center for Anti-piracy of the National Copyright Administration was set up to handle complaints about piracy and to encourage people to report on piracy.

In 2007, departments of copyright administration of all levels over the country inspected 548,646 business units, banned 13,170 illegal business units, uncovered 1,224 hidden illegal units, imposed 9,816 administrative penalties, and transferred 268 cases to the judicial authorities. The amount of captured pirated products was 75.69 million;

including over 11.21 million pirated books, over 18.43 million copies of pirated magazines, more than 52.49 million pirated audiovisual products, more than 2.07 million pirated E-publications, over 3 million pirated software discs and over 5.05 million other pirated products.

## **V. Constant strengthening in administrative enforcement and a new stage for customs protection**

In 2007, China Customs continuously strengthened efforts on customs protection for intellectual property rights and made remarkable achievements in the aspects of perfecting the rules and regulations concerning customs protection for intellectual property rights and strengthening efforts in administrative enforcement.

In early November, the General Administration of Customs of PRC (GACC) issued the Opinions on Strengthening the Customs Protection of Intellectual Property Rights, which deployed a strategy for the protection of intellectual property rights at the customs. A National Meeting on the Protection of Intellectual Property Rights at the Customs was held in Kunming in mid November.

In 2007, the GACC approved 2,267 cases of customs protection on intellectual property rights, an increase of 38.7% compared with the previous year; customs units across the country tracked down 7,467 batches of imported and exported goods suspected of violating intellectual property rights, with a value of 438 million yuan.

## **VI. Rigorous crackdown on piracy and vigorous efforts to overhaul and regulate the cultural market**

In 2007, the Ministry of Culture earnestly fought against piracy, through daily operations against piracy, market inspections, punishments for businesses without certificates and ground sellers, as well as other special punishments in line with the target of establishing a stable and harmonious cultural market. The efforts to overhaul and

regulate the order of the cultural market resulted in substantial progress.

In 2007, a total of 4.91 million person/time from cultural administrations and administrative enforcement authorities on cultural market at all levels were dispatched on various campaigns to inspect 850,000 audio and video operation units. They confiscated 110 million illegal audio and video products, uncovered and punished over 20,000 cases of intellectual property rights violation, and transferred 399 cases and 646 suspects to the judicial authorities.

### **VII. Noticeable influence of the public security departments shown from the effective measures against infringement**

In 2007, public security departments across the country increased their efforts against criminal actions violating various trademarks, patents and copyright, through Day to Day Operations against Piracy, Special Campaign Against Illegal Publications, Special Campaign against Internet Piracy and the Eagle Action. Remarkable results were achieved from those actions.

Public security departments registered 2,283 cases concerning intellectual property rights infringements, 2008 of which were solved and captured 2,967 suspects. The cases involved property to a value of 1.49 billion yuan. Security departments cooperated with related departments and settled more than 10,870 cases related to infringements of various intellectual property rights including copyright and confiscated more than 41.18 million illegal publications.

### **VIII. Constant improvement of the technical support system and stable development in the protection of new varieties of plants**

In 2007, the Ministry of Agriculture and the State Forestry Administration paid great attention to four aspects of cultivation, protection, utilization and management during their work to protect new plant varieties and made great efforts in perfecting the legal

system. They also provided strong technical support and management services, and comprehensively promoted countermeasure research, examinations and tests, administrative enforcement and international communication, so as to further promote the healthy and stable development of the protection of new plant varieties in China.

In 2007, the Ministry of Agriculture handled 816 applications for the protection of new varieties of plants, and 518 varieties rights were granted, accounting for 36.6% of the total rights granted. Up to the end of 2007, the number of applications and authorizations for the new plant varieties rights respectively reached 4,695 and 1,417. In 2007, the State Forestry Administration handled 61 applications for varieties rights both at home and abroad and granted 78, including 45 applications from foreigners. The number of new forestry plant varieties rights was 199.

#### **IX. Continuous strengthening of judicial functions and effective enhancement of judicial authority**

People's courts of all levels across China comprehensively strengthened the work of intellectual property rights judgments in 2007. Local courts heard and concluded respectively 17,877 and 17,395 civil first trial cases on intellectual property rights, an increase of 25.7% and 23.8% over the previous year. They heard and concluded respectively 2,865 and 2,870 civil second trial cases on intellectual property rights, an increase of 6.7% and 8.2% over the previous year. They also accepted 39 retrial cases, three cases less than the previous year, and concluded 45 cases.

In the aspect of criminal judicial protection of intellectual property rights, local courts heard and concluded 2,684 criminal cases concerning infringement of intellectual property. Verdicts on 4,328 persons resulted in legal effect and 4,322 people were sentenced guilty.

Up to the end of 2007, a total of sixty nine, thirty eight and forty three intermediate courts were appointed to have the jurisdiction over patents, new plant varieties and

layout designs of integrate circuit cases respectively. Forty primary courts were authorized to handle civil cases involving intellectual property rights; therefore, the resource allocation for intellectual property rights judgments was further optimized.

## **X. Continuous expansion of international communication and a new development in international cooperation**

In 2007, the SIPO participated in a series of actions organized by the World Intellectual Property Organization (WIPO) and carried out a series of cooperation and communication activities together with the WIPO, including the PCT roving seminar, the training workshop on intellectual property rights for directors of local intellectual property administrations in eastern China and the WIPO PCT international meetings. On July 4, Mr. Tian Lipu, Commissioner of the SIPO signed an agreement on bilateral cooperation on issues concerning high-level mutual visits, and opinions on traditional knowledge, genetic resources and human resources training with the Director-General of the African Regional Intellectual Property Organization. On July 17, Commissioner Tian Lipu formally signed an agreement on a strategic partnership with Prof. Pompidou, the president of the European Patent Office, which indicated that the two offices entered a new stage of strategic cooperation.

On January 29, Mr. Li Dongsheng, Deputy Commissioner of the SAIC, headed a mission to Switzerland to participate in the Third Global Meeting on Combating with Infringement and Piracy and signed on The Singapore Treaty on the Law of Trademarks on behalf of China. On May 7, Mr. An Qinghu, head of the TMO under the SAIC, attend the 17th Meeting of the Standing Committee on the Law of Trademark, Industrial Design and Geographical Indication (SCT), which was held in Geneva, Switzerland by the WIPO. Furthermore, On June 26, the SAIC jointly organized the Global Meeting of Geographical Indication with the WIPO in Beijing.

On February 5, the NCAC jointly held the Asia-Pacific Regional Seminar on Performers' Rights in the Digital Network Environment. More than 30 participants from 12 countries

in the Asia-pacific regions and high-level government officials from Africa, Europe and international organizations participated in the meeting, and had broad discussion and friendly communication on the theoretical and practical issues concerning performers' rights. The 2007 International Copyright Forum with the subject of Internet Copyright Protection and Industry Development was jointly organized by the NCAC and the WIPO on July 18 in Beijing.

Source: [SIPO.gov.cn](http://SIPO.gov.cn)