

This is an ad-hoc newsletter to inform UK stakeholders of recent developments in the Chinese IP environment. The content is collected from publicly available sources, where information is often available in Chinese only. Please feel free to forward this newsletter, and contact [Leo.Zhuang@fcdo.gov.uk](mailto:Leo.Zhuang@fcdo.gov.uk) to be added to/removed from the distribution list. A pdf version is available on the [Embassy's IP webpage](#)



Intellectual  
Property  
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International Trade

## China IP Newsletter (October 2022)

### **The 2022 UK-China IP Symposium is now open for registration**

The UK Intellectual Property Office and the China National Intellectual Property Administration (CNIPA) will jointly hold the 2022 UK-China IP Symposium on 29th and 30th November (8:30-11am UK time, 16:30-19:00 China time). The event, fully virtual this year, provides an opportunity for businesses and the IP industry to learn about the most recent legislative and policy changes in the UK and China. We'll be discussing hot topics affecting the IP community, top tips for registering and protecting your IP rights abroad when exporting, key issues that will affect your IP rights in the future. Join us to hear updates from influential industry trendsetters and policy makers in both countries. To register, please visit [UK-China IP Symposium webpage](#).

## **POLICY & GOVERNMENT**

### **China drafts measures for conducting online oral trial for IP administrative proceedings**

On 21 October, the China National Intellectual Property Administration (CNIPA) published draft measures for online oral hearings in administrative adjudication cases. The aim is to facilitate trial participation, standardise online hearing proceedings, and enhance administrative efficiency. According to the draft, the CNIPA may perform online oral hearings for administrative proceedings of 'major and significant patent infringement disputes', patent linkage cases, and disputes concerning the layout design of integrated circuits, subject to all parties' willingness. However, the CNIPA will not approve the use of online hearings if cases are complicated with large amounts of evidence and require examination of physical evidence, or the case involves national security, state secrets or commercial secrets. It is also prohibited to record or disseminate audio, video and graphic materials related to the online oral hearing without the consent of CNIPA. Online oral hearings have the same legal effect as offline hearings. [Read CNIPA draft measures for online hearing of IP administrative cases in Chinese](#)

### **Chinese patent agencies will be rated as part of drive to reduce abnormal patent applications**

On 8 October, the CNIPA released the draft Administrative Measures for the Credit Evaluation of Patent Agencies. The measures propose to create a ranking system under which Chinese patent agencies will lose points due to negative information coming out about the agency's actions, or gain points based on the agencies' social contributions. The draft sets out to "crack down on illegal and untrustworthy acts" carried out by Chinese patent agencies and promote a healthier development of Chinese intellectual property. The draft updates and expands the prior trial programme which started in January 2022 and was limited to Hebei, Jiangsu, Hunan, and Sichuan provinces. The system will also rank patent attorneys and deduct or award points in a similar manner as for patent agencies. However, the rating

system currently only applies to Chinese patent agencies and not trade mark agencies. [Read CNIPA draft measures for credit evaluation of patent agency in Chinese](#)

### **CNIPA provides guidance on setting royalties in the patent open licensing scheme**

Tasked by the State Council in the 14<sup>th</sup> Five Year Plan for Intellectual Property Protection and Utilisation, the CNIPA published the trial guidelines for royalty estimation in open licensing of patents on 24 October, to promote market-based pricing and licensing. Though not mandatory or binding, the guidelines provide a useful reference for relevant parties seeking to enter a licensing agreement under the open licensing framework. Multiple methods of estimation are proposed as 'scientific and reasonable'. For instance, if the patent to be opened for licensing has been implemented and is generating profits in the market, the contribution of the patent technology to the sales proceeds may be used as a reference benchmark. If the patent has been previously licensed under a general license contract, the royalties from the general license of the patent may be used as the benchmark. Similarly, royalties in the same or similar technology fields as well as common international practice can also be used as benchmarks for the negotiation of the patent implementation license's royalty rate. [Read CNIPA guidelines for royalty estimation in open licensing of patents](#)

### **China to tackle malicious non-use cancellation of trade marks**

On 11 October, the Chinese Trade Mark Office (CTMO) recently held a research workshop with company representatives, trade mark agencies, and industry associations to discuss trade mark issues of concern to businesses. CTMO disclosed that a decision was made from the workshop to immediately establish a special platform on CTMO's official website to receive trade mark registration complaints, set up on-site consultation windows at CTMO's trade mark registration halls, introduce a special system to manage malicious non-use cancellations as soon as possible, and suggest combating malicious same-day filings in the next round of amendments to the Trade Mark Law. Though no official definition is given by Chinese law so far, 'malicious non-use cancellation' usually refers to a situation where a registered trade mark receives repeated cancellation challenges repeatedly by various third parties. [Read highlights from the CTMO workshop in Chinese](#)

### **Copyright registration and search of pledged copyright now available online in China**

The China Copyright Protection Center has recently implemented a comprehensive online registration process for copyrighted works which means that applicants no longer need to submit or mail a paper registration application to the Center. In addition, the original registration system has been upgraded with many new functions added. For instance: applicants can register short videos on the system to prove the creation process of works; larger files can be uploaded; and, registrants can view electronic certificates on mobile devices. The China Copyright Protection Center has also introduced artificial intelligence to help evaluators perform similarity checks on registered works to reduce duplicate registrations. The National Copyright Administration of China (NCAC) recently also announced that information on pledged copyright is now publicly available online through the Credit Reference Center, at the People's Bank of China. Read NCAC announcement of [online copyright registration](#) and [search of pledged copyright](#) in Chinese

## **INTERNATIONAL**

### **China rises to 11th place on WIPO's innovation rankings**

The 15th edition of the Global Innovation Index (GII) was officially launched on 29 September by the World Intellectual Property Organization (WIPO). GI is one of WIPO's flagship publications, tracking the most recent global innovation trends and measuring the innovation performance of around 132 economies. The report is published annually. China moves up 1 spot and ranks 11th among the 132 economies featured in GI 2022, having steadily gained in the rankings during the past decade and still being the only middle-income economy in the GI top 15 for many years. China also boasts 3 of the world's top 10 science and technology clusters: Shenzhen-Hong Kong-Guangzhou (2nd); Beijing (3rd); and, Shanghai-Suzhou (6th). The United Kingdom remains in 4<sup>th</sup> place for the third consecutive year. [Read WIPO Global Innovation Index 2022 in English](#)

## STATISTICS

### **China sees tremendous growth in the registration of IP rights in the past decade**

On 9 October, CNIPA held a regular press conference to release its newest achievements in the IP field within the past decade. Over the past ten years, the CNIPA has granted 3.953 million patents, with an average annual growth rate of 13.8%, and 35.563 million registered trade marks, with an average annual growth rate of 25.5%. As of September 2022, there are 3.154 million invention patents in force in China. On 19 October, at another press conference during the 20th Party Congress, He Rong, Vice President of the People's Supreme Court in charge of daily work, reported that China has concluded 2.738 million first instance IP cases since 2013, with an average annual growth rate of 24.5%. [Read full transcript of CNIPA press conference in Chinese](#)

If you would like any further information on any of the above matters or to discuss Embassy support for your company in China please contact Leo Zhuang ([Leo.Zhuang@fcdo.gov.uk](mailto:Leo.Zhuang@fcdo.gov.uk)).