

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  
Office



British Embassy  
Beijing



Department for  
International Trade

## China IP Newsletter (September 2021)

### POLICY & GOVERNMENT

#### **China sets out blueprint for becoming a global IP leader in the next 15 years**

On 22 September, the Central Committee of the Communist Party of China and the State Council issued the Guidelines for Building an IP Powerhouse with Intellectual Property Rights (2021-2035). The strategy sets out China's priorities for IP development over the next decade, focusing on innovation and international competitiveness. The Guidelines set numerical development goals for IP, outline ambitions to take a more active role in global IP governance, and legislate IP protections for new technologies including AI. It also reiterates and consolidates previous targets, such as developing the added value of patent-intensive industries and copyright industries to 13% and 7.5% of GDP respectively by 2025. [Read a summary of the State Council IP Plan by IPKat in English.](#)

#### **Draft revision of the E-commerce Law proposes new protection of IP rights**

On 31 August, China's State Administration for Market Regulation (SAMR) released a draft amendment to the E-commerce Law for public consultation. It focuses on two IP articles, Article 43 which relates to the platform's responsibility of handling IP violations of in-platform vendors and Article 84 which relates to the punishment on platforms for failing those IP responsibilities. Article 43 proposes to extend the window that right owners have to respond to a vendor's non-infringement counter-notice from 15 calendar days to 20 working days. Under Article 84, platforms that fail to fulfil their IP responsibilities in "a particularly serious circumstance" could see their business restricted or even have their license revoked. [Read full draft revision in Chinese.](#)

#### **Commitment letter of good faith must be signed in order to request well-known trade mark protection**

The CNIPA recently introduced a new requirement for parties applying for well-known trade mark status from 1 September. Applicants must submit a commitment letter in which they provide assurance that there is no malicious conspiracy or other dishonest acts with another party and there is no other illegal means to defraud the protection of well-known trade marks. In addition, applicants must also promise that the relevant information and evidence submitted in the opposition/review of opposition/invalidation actions are legitimate, accurate and complete. They must attest that documents are not falsified through e.g. forgery, alteration, concealing evidence, or instigating, bribing or coercing others to commit perjury. The commitment letter must be signed by both the applicant and the representing trade mark attorney. [Read CTMO notice on the commitment letter in Chinese.](#)

## **CNIPA to better regulate the list of parties with seriously unlawful and dishonest acts in IP-related areas**

The CNIPA issued a circular on 16 September to require IP offices and IP protection centres across the country to strictly implement two SAMR measures to regulate parties with seriously unlawful and dishonest acts. Local offices should have a good grasp of the criteria for judging unlawful and dishonest acts in IP-related areas. They should also strengthen information sharing between departments that administer penalties with those that maintain the list of dishonest actors. Where dishonest parties have corrected their behaviour and meet the requirement to have their name and reputation restored, they should be removed from the list in a timely manner. [Read CNIPA notice regarding regulating dishonest acts in Chinese.](#)

## **CNIPA to punish trade mark agencies for assisting bad-faith applications of Olympic medallists**

On 8 September, the CNIPA issued a circular to IP offices in 11 provinces to investigate the trade mark agencies involved in assisting bad-faith applicants to pre-emptively register the names of Chinese medallists at Tokyo Olympic. Previously, a batch of 109 trade mark applications that contain names and nicknames of the medallists were rejected. To further deter malicious trade mark filings, the CNIPA intend to impose penalties on the trade mark agents who had assisted in the process of filing those bad-faith applications as part of the Blue Sky special campaign targeting ill-behaving agencies. Based on the leads published by CNIPA, the relevant local IP offices shall conduct investigation into the involved agencies and issue administrative penalties where illegal acts have been confirmed. [Read CNIPA circular in Chinese.](#)

## **BUSINESS AND INDUSTRY**

### **The Supreme People's Court confirmed China's jurisdiction over SEP global rate setting in the OPPO v Sharp case**

In the lawsuit filed by OPPO against Sharp for violating the FRAND principle in determining the licensing conditions of related patents, China's Supreme People's Court (SPC) has confirmed that the country's judges can set global FRAND licensing rates and defined the conditions under which they can do so. Earlier in March 2020, Shenzhen Court made a ruling that dismissed Sharp's jurisdictional objection, to which Sharp appealed to the SPC. The SPC decided that Chinese courts have jurisdiction in the case based on the consideration that the patent dispute had a proper connection with China and it was more convenient for Chinese courts to hear the global licensing terms of the relevant patent given the fact that the OPPO products involved in this case were manufactured and primarily sold (71%) in China. [Read commentary on the OPPO v Sharp case in English.](#)

### **Seven Chinese tech giants jointly established an Artificial Intelligence patent pool**

On 2 September, seven Chinese companies that currently lead the development of AI in China (Baidu, Alibaba, Kuaishou, Ant Technology, Midea, Meizu and SenseTime), jointly announced a patent pool to promote more AI creations and get the most value out of AI patents. The patent pool will increase the knowledge sharing within the field, promote the licensing of AI patents, reduce the R&D cost, and maximise the potential of AI application through organic combination of patents. However, Huawei – as the top filer of AI patents in China – is not participating in the initiative. [Read news reporting on the AI patent pool in Chinese.](#)

## **STATISTICS**

### **CNIPA report says China has over 53,000 certified patent agents**

The CNIPA recently released a report regarding the current development status of China's patent agency industry in 2020. According to the report, as of the end of 2020, the number of Chinese patent practitioners has reached 53,090, among which 23,193 are practicing patent attorneys. 500 new agencies that provide patent registration services were set up in the last year, making a total of 3,253

patent agencies operating in China with a growth rate of 20.9%. [Read China's 2020 Patent Agency Industry Status Report in Chinese.](#)

### **WIPO says China is the 12<sup>th</sup> most innovative country in the world in 2021**

On 20 September, the World Intellectual Property Organization (WIPO) released the Global Innovation Index (GII) 2021 which shows China has moved up the ranking from the 14<sup>th</sup> place last year to the 12<sup>th</sup> this year. China continues to be the only middle-income economy among the world's top 30 most innovative countries, further establishing itself as a global innovation leader. The GI, published annually, provides performance measures and ranks 132 economies on their innovation ecosystems. As in past years, Switzerland, Sweden, the United States and the United Kingdom continue to lead the innovation ranking. [Read full release by WIPO in English.](#)

### **Beijing releases the average service charges for filing a patent application**

On 23 September, the Beijing Patent Attorney Association released a summary of fee charges for drafting various patent applications for the city of Beijing in 2020. On average, it costs over RMB 15,000 (~£1,725) to engage a patent attorney for conducting initial patent search and drafting the application for an invention patent. However, the fees slightly vary depending on the technical field the patent is filed in. Generally, chemical and electrical inventions cost RMB1000-2000 more than mechanical inventions. For utility model and design patents, the average service fees are RMB 8,636 (~£990) and RMB 3,556 (~£410) respectively. It is noted that the fee charges calculated are based on an application of normal complexity which involves one response to CNIPA office action, completed by a regular patent attorney with about 3 years of practicing experience. [Read the notice on the cost of patent agency service in Beijing 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)).