



# III. Strategy Implementation, Protection and Administration

## 1. Strategy Implementation

### (1) Work on National Intellectual Property Strategy

The 115<sup>th</sup> executive meeting of the State Council specially arranged the work to accelerate building China with strong IP competence, issued to implement *the Opinions on Accelerating the Construction of China with Strong Intellectual Property Competence under the New Situation*, the purpose of which is to deepen the reform in the field of intellectual property, give full play to the basic security role of IP system to encouraging innovation, provide favorable conditions to cultivate new growth momentum and international competition advantage, so as to accelerate the building of China with strong IP competence.

*National IP Strategy Action Plan (2014-2020)* was further implemented. SIPO organized the member units of the Inter-ministerial Joint Council to formulate and implement *the Promotion Plan for the Implementation of the National IP Strategy 2015*, completed the division of responsibilities of member units based on each item, to promote the implementation of the IP strategy from five



aspects: strengthening the protection, promoting the creation and utilization, strengthening the management and services, expanding exchanges and cooperation and improving the guarantee for the implementation of the strategy.

The ground work for the implementation of IP strategy was further strengthened. SIPO organized a series of major strategic studies on building China with strong IP competence, prepared and published *the Report on National IP Development Status 2014*, established six national research bases for the implementation of IP strategy, improved the communication mechanism on IP work, and conducted thematic researches, publicity and training activities on IP strategy.

## (2) IP Strategy for Industries

SIPO launched the pilot of IP analysis and evaluation in 17 provinces, enhanced their capacity of IP analysis and evaluation, established and improved relevant mechanisms, and conducted the selection of Excellent

Evaluation Projects. The third batch of 34 service organizations for IP analysis and evaluation was selected and identified. SIPO also guided the National Alliance of IP Analysis and Evaluation Service Organization on building the service capacity of IP analysis and evaluation. *Guidelines for IP Analysis and Evaluation* were publicized and more than 1,500 people were trained accordingly. Pilot of IP cluster management was launched in 8 industrial agglomeration areas. In April, IP information related website "*worldip.cn*" for international development of industries was launched, which can provide "one-stop", "guidance-oriented" and "platform-oriented" services on overseas IP information for internationalizing enterprises. In Guangdong, Shaanxi, Jiangsu, Zhejiang and other provinces, "Utilizing grass-root IP to serve economic development" activities were organized to provide local enterprises with public services such as public consultation on IP, practical training and face-to-face examinations. These activities also helped enterprises and the public to enhance their awareness of IP, disseminate the knowledge of IP, and improve their IP capacity. SIPO jointly organized an IP advanced seminar with the Ministry of Human Resources and Social Security, for strategic emerging enterprises going abroad. More than 120 high-level IP management personnel from enterprises received trainings in the seminar.

### (3) Organize and Coordinate Regional IP Strategy

*The Collection of Key Points in the Implementation of National IP Strategy in Local Areas and Local IP Strategy 2015* was compiled. SIPO promoted the introduction of third party evaluation on regional implementation of the national IP strategy, organized 2015 annual trainings on the implementation of local IP strategy to strengthen the consistency between building China with strong IP competence and the major regional planning. SIPO helped Xinjiang, Shaanxi and Hubei provinces study and formulate their regional work plans to support the "Belt and Road" and the "Yangtze River Economic Belt" initiatives, and explored the possibility in Northeast China to establish an IP service center for China, Mongolia and Russia.

Innovate in regional IP distribution work to support the integration of IP with economic and social development. Major issues in the regional IP distribution were studied to formulate promotion measures. Applications for the pilot of the regional IP distribution were organized, and Jiangsu province, Guangxi Zhuang Autonomous region, Chongqing Municipality, Ningbo of Zhejiang Province, Weifang of Shandong Province, and Guangzhou and Shenzhen of Guangdong Province have been identified as the first batch of pilots. In order to promote the mechanism building for the work of regional IP distribution, SIPO issued *the Measures on Management of the Regional IP Distribution Pilot*. SIPO conducted project offering expert to support regional IP distribution. In Jiangsu, Guangdong, Chongqing, Gansu, Hefei and Harbin, preliminary work for regional IP distribution, such as analysis of patent resources, has been supported.

Relevant Studies on the "Belt and Road" and the "Yangtze River Economic Belt" initiatives were carried out, and formulated the *"Overall Scheme on Supporting the Building of the 'Belt and Road' with IP (Draft for soliciting opinions)"* and the *"Preliminary Scheme on Relevant IP Work for the Yangtze River Economic Belt Development Strategy"*. SIPO, Ministry of Finance, and Ministry of Science and Technology jointly promoted a pilot reform on the management of utilization, disposal and revenue of scientific and technological achievements in the central level institutions.

#### (4) Promotion of National Patent Development Strategy

The *"Promotion Plan for National Patent Development Strategy 2015"* was implemented. 15 specific tasks and 30 measures have been determined around three main aims, which are "innovation of the patent system", "the construction of the guarantee system for the operation of the patent system" and "supporting economic and social development with patents". Various work was steadily brought forward, and the patent work was further integrated with that of industries, regions, science and technology, trade and other central

work of the economy. SIPO released *"Report on National Patent Strength 2014"*, completed *"Evaluation Report on Patent Development Strategy 2014"*. SIPO also sent delegations to provincial IP offices of Jilin, Jiangsu, Heilongjiang, Guizhou and Xinjiang Production and Construction Corps, to supervise and promote the implementation of patent strategy. The Innovation Project on the Promotion of National Patent Development Strategy 2015 has been organized and implemented, which further promoted the implementation of patent strategy by promoting the construction of the patent system with Chinese characteristics, innovating patent administrative management mode and strengthening the support of patent to economic and social development and so on. The monitoring mechanism of quantitative and qualitative indicators of patent applications has been further improved. In specific technical fields and regions, 12 projects on the promotion of patent strategy have been accomplished.

## **2. Policy Research**

The management of scientific research projects was further regulated and macro coordination over research projects was strengthened. Relevant working mechanisms were improved, and unified research guidelines were released. Reviews on repetitive research projects as well as the collection and utilization of research outcomes were also strengthened. Around topics such as promoting the implementation of innovation-driven development strategy, accelerating the building of China with strong IP competence, active efforts were made in researches and studies, and as a result, a batch of excellent outcomes with high referential values were made. Research outcomes such as *"Survey on Profit from Foreign Intellectual Property in China"* and *"Industrialization of Intellectual Property"* were paid high attention by the leadership of the State Council. For the whole year, 32 "soft" scientific research projects were established, and 45 projects were concluded.

Work on government information was further strengthened. Around topics such as implementing the significant decisions and arrangements on IP

issues made by the central government and the State Council, accelerating the building of China with strong IP competence, further implementing IP strategy, deepening the reform in the field of intellectual property, as well as other domestic and foreign IP related hot-spot issues, SIPO timely compiled and submitted relative information, which provided information support for the Party Central Committee and the State Council to get to know the progress of relevant work timely. Throughout the year, SIPO compiled and released 48 terms of *Information of IP Offices*, 24 terms of *Briefings of IP Offices*, and 25 terms of *Dynamics of IP Work*, among which 24 articles were quoted by the General Office of the Party Central Committee or the General Office of the State Council. Especially, information like "*Current Analysis on the Infringement of IP and its Effect on Innovation and Entrepreneurship*" has received instructions from the leadership of the State Council.

### **3. IP Protection and Administration**

#### **(1) IP Protection Related Work**

SIPO guided and supervised the first batch of marketplaces which have been preliminarily equipped with leadership, organization, mechanism and personnel to realize the promotion of their capacity on being good at management and utilization. 38 marketplaces, including both physical and electronic markets, were identified as fostering targets for the second batch of national level marketplaces with regulated IP protection. SIPO also instructed markets in formulating the fostering solution and action plans. "*Marketplaces with Regulated IP Protection Certification Regulation (Draft)*" and "*Standards on Marketplaces with Regulated IP Protection Certification (Draft)*" have been developed, and completed the in-office and out-of-office opinion soliciting procedures. "*Satisfaction Report on First Batch of Marketplaces with Regulated IP Protection*" has been made as the result of the survey.

Based on the analysis and study of relevant investigation statistics, SIPO has

formulated *Annual Investigation Report on Social Satisfaction of IP Protection in 2014*, and *Annual Investigation Report on Social Satisfaction of Patent Protection in 2014*. A database of survey sample has been built and improved, and the questionnaires and ways of investigation have been further improved. Hence, the investigation on social satisfaction of IP protection in 2015 has been completed. It is for the first time that the statistics have been collected in all 31 provinces (autonomous regions and municipalities).

Shanghai, Jiangsu and Jiangxi, which are the first batch of pilots for IP mediation, have been guided to deepen the pilot work constantly, while Beijing, Shandong, Guangdong and Xinjiang were selected as the second batch of pilots. These regions have established a number of rules and regulations, such as *"Management Measures on the Pilot of IP Disputes Mediation"*, *"Process for IP Disputes Mediation"* and *"Management Measures on Mediators"*. 21 IP disputes mediation organizations have been set up, comprising 350 full-time and part-time mediators, who have solved nearly 430 cases of IP disputes.

*The White Paper Book: China's IP Protection in 2014 (Chinese and English version)* was jointly drafted by SIPO and relevant departments including the Administration of Industry and Commerce, the Copyright Office, the Administration of Custom, and the Ministry of Public Security.

## (2) IP Enforcement and Right Safeguarding

In 2015, the total number of cases handled through patent administrative enforcement reached 35,844, registering a year-on-year increase of 46.4%. Among these cases, 14,607 were of patent disputes, which exceeded 10,000 for the first time, increasing by 77.7% (an increase of 15.1 percentages) compared with the previous year. 21,237 cases were about counterfeiting patent, increasing by 30.6%. Cases in the field of e-commerce were 7,644, with an increase of 155.2%. 2,743 patent enforcement cases in exhibitions

were handled, increased by 54.1% compared with the previous year.

The whole national IP system conducted the "Flash" campaign for enforcement and safeguard of patents in the field of e-commerce, promoted the "Escort" campaign to enhance the capacity of IP administrative enforcement at all places. Meanwhile, capacity of enforcement and safeguard of patents in exhibitions continued to be strengthened. The capacity of enforcement and safeguard of patents online increased significantly. Local IP offices and patent rights centers participating in the enforcement and safeguarding of patents in the field of e-commerce continued to broaden the scope of work. In the field of e-commerce and exhibitions, the case handling cycle was shortened considerably. The project of enhancing the capacity of patent administrative enforcement was further promoted. The mechanism of cross-regional and synergic enforcement was enhanced. The consultation mechanism on the identification of patent infringement and the mechanism on rapid mediation of patent disputes were established and improved. SIPO introduced the program of building a national credit system on IP. Responsibility system of law enforcement target and index system of performance evaluation was further improved. The delivery and submission system of patent administrative enforcement cases was constantly improved. The on-line case handling system of patent disputes and complaint collection system were tested online.

The fast prosecution and complaint collection work were further developed. The establishment of fast prosecution centers in the industrial agglomeration areas has been accelerated, and 3 new IP fast prosecution centers were approved in Shunde (household electrical appliances), Huadu (leather products), and Jingdezhen (ceramics). Up to now, IP fast prosecution centers have been built in 8 industrial agglomeration fields, covering lighting, home textiles, design services, pens, furniture, household electrical appliances, leather and ceramics. SIPO also explored the establishment of a mechanism on IP fast prosecution in overseas exhibitions. The coverage of 12330 Hot-line



has further expanded to ensure the channels of IP protection and supervision.

### (3) IP Management

**Comprehensive reform pilots.** SIPO issued *the Notice of SIPO on the Implementation of the "Opinions of the State Council on Deepening the Reform of Institutions and Mechanisms to Accelerate the Implementation of Innovation-driven Development Strategy"*, and deployed 11 items of measures in 3 types that need to place emphasis on. SIPO formulated the working guidelines for *the Implementation Plan on Experiment of Comprehensively Innovating Reform*", and convened due conference within the IP system. Construction plan on an experimental zone on national comprehensive reform of IP utilization and protection in SINO-Singaporean Guangzhou Knowledge City was formulated. IP related work in FTA test areas was strengthened. SIPO promoted the pilot reform of the inclusive IP management, and guided available provinces to complete the plan on reform of the comprehensive management.

**Mass Entrepreneurship and Innovation.** SIPO, Ministry of Finance, Ministry of Human Resources and Social Security, All-China Federation of Trade Unions and Central Communist Youth League jointly issued *Opinions on Further Strengthening the Use of Intellectual Property and the Protection of Innovation and Entrepreneurship*, to support "mass entrepreneurship and innovation". The 9<sup>th</sup> China Patent Week was organized with theme of "Strengthen the Utilization and Protection of IP, Boost Mass Entrepreneurship and Innovation". The week provided various services for enterprises, universities and research institutes, and promoted aggregate and exchanges of all kinds of innovation elements.

**IP Cooperation Consultation, IP Pilot and Demonstration.** SIPO instituted cooperation consultation with Guangdong, Guangxi and the Chinese Academy of Sciences. *Work Plan on Accelerating the Construction of the Province with Strong IP Competence (trial)* was issued and the expert review



The signing ceremony for cooperation consultation protocol on IP between SIPO and People's Government of Guangxi Zhuang Autonomous Region during the 1<sup>st</sup> consultation meeting.



The signing ceremony for strategic cooperation protocol between SIPO and the State Administration of Science Technology and Industry for National Defense.

meeting for the first batch of pilot on the construction of the province with strong IP competence was held by SIPO. Trilateral Meeting with Guangdong Provincial Government and Singaporean IP Office was held. Preparation for a conference was made with the governments of Beijing, Tianjin and Hebei for the establishment of cooperation consultation mechanism among "SIPO and these three governments". By the end of 2015, SIPO has established cooperation consultation mechanisms with 16 provincial (prefectural, municipal) people's governments and 4 central level entities. 23 of the first batch of IP demonstration cities have passed the review, as well as 11 additional IP demonstration cities and 18 new IP pilot cities were approved by SIPO in 2015. Besides, in the project of the county with strong IP competence, 27 demonstration counties (districts) and 36 pilot counties (districts) were approved. At last, SIPO approved 6 demonstration counties (cities, districts) for IP protection of traditional knowledge and 3 pilot counties (cities, districts) along with 7 national IP demonstration parks and 20 pilot parks.

**Enterprises' Intellectual Property Management.** SIPO coordinated with seven other ministries and departments, including the Ministry of Science and Technology, the Ministry of Industry and Information Technology, the Ministry of Commerce, jointly issued *the Guiding Opinions on the Comprehensive Implementation of the Norms of Enterprises' IP Management* to comprehensively implement IP management standards. SIPO also guided the provinces and municipalities to intensify the efforts to implement standards. There are already tens of thousands of enterprises implementing enterprise standards, covering almost all provinces. Moreover, SIPO trained over 1,000 certification examination staff, and a new certification agency was established. The Intellectual Property Management Standard Service League was set up to fully enhance the service capacity of agencies. As of the end of December, 2015, there were 1,239 companies passed the certification. *The Plan on Fostering National IP Advantageous Companies* and *the Plan on Fostering National IP Demonstration Companies* were printed and distributed. 58 national IP demonstration companies and 609 national IP advantageous companies

were selected and identified. By the end of 2015, there were 185 national IP demonstration companies and 1,324 national IP advantageous companies in total. Advanced trainings were held in Jiangsu province and Shaanxi province for the staff from national IP demonstration enterprises.

The drafts for deliberations of the IP management standard for universities and scientific institutions respectively were completed. The standard implementation pilot projects were carried out in 15 scientific institutions. SIPO coordinated with the Ministry of Education to conduct standard implementation pilot programs in 69 colleges and universities in five provinces. In addition, the trainings of standard for scientific institutions and universities were completed.

The National Knowledge Management Standardization Technical Committee was set up. Standards for the quality of patent agencies' services and evaluation of value was studied and developed. SIPO also made the overall planning for national intellectual property standardization in the next five years. Furthermore, SIPO organized the Chinese delegation to attend the International Organization for Standardization ISO/TC279 Innovation Management Standardization Technical Committee International Standardization Annual meeting, in which China proposed to set up an IP special working group led by China and to host the fourth international standardization annual meeting. Those important proposals were recognized by Secretary of the ISO/TC279 and other participating countries.

**Patent Utilization and Industrialization.** SIPO, together with the Ministry of Finance, initiated a pilot project to promote intellectual property operation service in a market-oriented approach. SIPO also accelerated the construction of the national intellectual property operation public service platform and two pilot platforms. Priority was given to the development of 20 intellectual property operation institutions in 11 provinces and cities by supporting them with equity investment; set up intellectual property operation funds for key industries in 10 provinces and cities; set up intellectual property pledge financing risk

compensation fund in four pilot provinces. Hereby, an integrated IP operating system of "platform + institution + capital + industry" was built up primarily.

SIPO further implemented the patent navigation pilot project, and printed and distributed *The Implementation Guidelines for Industrial Planning Patent Navigation Project (Provisional)*. Having analyzed the achievements fulfilled in 8 experimental zones in the patent navigation for the ultra hard material, micro and nano manufacturing, digital security and so on, SIPO formulated patent navigation industrial innovation plan. *The Guidelines for Industry Intellectual Property League Construction* was introduced and 56 industrial intellectual property leagues were put on record.

*Opinions of the State Intellectual Property Office on Further Promoting the Intellectual Property Financial Services* was printed and distributed; the pilot work of intellectual property financing was carried out in 42 regions and institutions; the intellectual property pledge financing was expanded and deepened in 32 provinces and cities; intellectual property pledge financing risk compensation pilot fund was set up in Guangdong province. SIPO also carried out researches on on-line intellectual property financial services and the risk management system, further expanded the coverage of patent insurance, promoted the patent insurance pilot work, studied and formulated the infringement liability insurance scheme for export products. In 2015, the amount of patent right pledge financing reached 56 billion Yuan RMB, registering a year-on-year increase of 14.6%, benefiting more than 2,000 enterprises; 1,164 enterprises took out patent insurance and the cumulative amount of patent insurance reached 139 million Yuan RMB, an increase of 18.57% compared with the previous year.

SIPO intensified the efforts on the value analysis and application of patent, guided scientific institutions to combine patent value analysis and scientific research evaluation to improve the existing evaluation system for achievements in scientific research. Patent value analysis was conducted in 10 regions and

the standardization of patent value analysis index system was promoted. There are about 800 people engaged in patent value analysis training.

The selection of the 17<sup>th</sup> China Patent Award was jointly organized by SIPO and WIPO. As a result, 25 golden awards and 564 awards of excellence were selected. According to incomplete statistics, from the date of exploitation of the patents up to the end of 2014, the 25 patents that won gold awards had newly added RMB 149.3 billion Yuan of sales, adding the profit of RMB 33.4 billion Yuan.

SIPO also joined hands with relevant departments of the State Council and local provincial governments in organization of 8 IP related Exhibitions. In these exhibitions, IP protection office and dedicated IP services areas were established.