

STRATEGY ADVANCEMENT AND PROTECTION ADMINISTRATION

1 Strategy Advancement

(1) National IP Strategy Makes Major Advancement

The formulation of the Outline of the National Intellectual Property Strategy was concluded successfully. The State Council promulgated the Outline of the National Intellectual Property Strategy on June 5, putting forward a strategic goal of constructing China into a country with comparatively higher level of intellectual property right (IPR) creation, utilization, protection and administration by 2020. Seven special tasks and nine key measures for the implementation of the Outline were deployed. The enactment of the Outline is a milestone in the history of the Chinese IP development.

The mechanism of inter-ministerial joint meetings for the implementation of the Strategy was established. On October 9, the State Council approved SIPO's Request for Establishing the Mechanism of Inter-ministerial Joint Meetings for the Implementation of the National IP Strategy, and agreed SIPO to chair the mechanism. Commissioner Tian Lipu will coordinate senior officials from 28 central agencies. A secretariat, stationed in SIPO, takes charge of the daily operation of the joint meetings.

The first inter-ministerial joint meeting was held on November 21 in the State Council. Vice Premier Wang Qishan attended the meeting and delivered a keynote speech. The meeting deliberated and approved in principle the Task Partitioning for the Implementation of the Outline of the National IP Strategy and Contact Point Mechanism for the Inter-ministerial Joint Meeting for the Implementation of the National IP Strategy, studying and deploying the

next step of strategy implementation. On December 12, General Office of the State Council issued Circular on the Issuing of Task Partitioning for the Implementation of the Outline of the National IP Strategy.



Vice Premier Wang Qishan delivered keynote speech at the inter-ministerial joint meeting for the Implementation of the National IP Strategy.

(2) Preliminary Effects of Regional and Sector IP Strategy

Local authorities were encouraged to promulgate local IP strategies following the instructions of the Outline based on their practical situation. As of now, eight provinces, autonomous regions and municipalities promulgated their own IP strategies. The rest are in the process of active formulation.

(3) Active Investigation of the Coordination and Protection of IP

SIPO organized a roundtable for foreign companies and its associations in China on IP protection to hear the comments on IP protection in China from foreign company associations and over 30 Fortune 500 companies and publicized China's achievements on IP protection.

SIPO and State Food and Drug Administration (SFDA) jointly organized the International Forum on Patent Protection and Public Health – Pharmaceutical Innovation & The Accessibility of Drugs.



On November 3, International Forum on Patent Protection and Public Health.

2 Policy Research

Research and administration of soft science was strengthened and important achievements were made around key IP tasks and important subjects. Projects such as Annual Investigation in China Software Piracy Rate were placed great emphasis by the state and competent agencies. Mechanism for subject selection and evaluation was improved and database of experts was established. Selection of 2008 soft science projects and evaluation of 18 finished projects were completed. Database of research findings of soft science projects was set up to promote exchange and utilization of research findings. Research in key fields and on key subjects was initiated and mechanism of patent analysis and early warning was established.

3 Protection and Administration

(1) IPR Protection and Law Enforcement

With SIPO's deployment, IPR administrations across the nation improved their legislations and regulations, established and refined law enforcement system, enhanced coordination of law enforcement, waged special campaigns, and initiated assistance to IPR enforcement. The measures were proven effective and substantial results were achieved.

IPR Enforcement Assistance Centers were established and the Inter-Agency and Regional Joint-Action Mechanism refined

The National IPR Enforcement Assistance Roundtable was convened. As of 2008 end, SIPO had already approved operation of 44 IPR enforcement assistance centers nationwide.

SIPO and the Ministry of Public Security (MPS) jointly issued a circular to formally establish an inter-agency coordination mechanism in IPR protection. Local IP administrations intensified enforcement coordination with police. Enforcement coordination mechanisms in 12 western provinces and the north-eastern region were set up on top of the previously established cross-region IPR enforcement coordination mechanisms in Yangtze Delta, Pan-Pearl River Delta and Around Bohai Sea. There are currently quite a few such cross-region enforcement coordination mechanisms.

The National Conference on IPR enforcement was convened to summarize work in 2008, reward outstanding groups and individuals and deploy the work of enforcement for 2009.

Special Campaigns

SIPO issued a circular on the Program for Thunderstorm and Skynet IPR Enforcement Campaigns, deciding to launch the one-year campaigns. The former was to combat IPR violations, in particular malicious, group and repeated infringement, counterfeiting and passing-off offence, while the latter aimed at striking frauds relating to IP.

During “March 15” and “April 26”, SIPO launched nationwide special campaigns on IPR enforcement.

From January to October, local IP administrations nationwide received a total of 799 patent disputes over infringement. They investigated and handled 46 cases of counterfeiting patents and 431 cases of passing off others’ patents. In law enforcement actions, 14,487 officers/times were dispatched to inspect and investigate 6,778 commercial premises. 304 inter-agency joint law enforcement actions were organized and 67 cross-region actions were launched.

(2) IPR Administration

IPR Pilot and Model Projects

In 2008, SIPO newly approved establishment of 5 state IPR work model cities, 11 candidate IPR work model cities and 15 pilot cities. As of 2008 end, the nation had 10 such model cities, 36 candidate model cities and 49 pilot cities.

As of 2008 end, the nation had a total of 30 candidate IPR model industrial parks and pilot IPR industrial parks, 3 of which were candidate model parks while the rest were 27 pilot parks. In 2008, SIPO issued the benchmark for evaluation of pilot parks in an effort to guide them to establish and improve the IPR work system and mechanism.

SIPO continued to promote implementation of pilot

and model projects in enterprises and entities. Nationwide patent communication activities were organized in 2008, during which around 110 examiners visited 110 enterprises and entities in 31 provinces or subordinate to four ministries and institutions under the State Council. Training courses were organized for patent communication stations on patent practice in order to boost training for administrative staff in these communication stations. The first pilot project for industrial IPR strategy was initiated. A national conference on IPR work in enterprises and institutions and on patent utilization and commercialization was held.

In an effort to make full play of China's advantages in traditional knowledge resources, SIPO initiated a pilot project for IPR protection of traditional knowledge, formulated the National Work Plan on IPR Pilot Project for Protection of Traditional Knowledge (Trial), and approved three counties to be the first group of pilot project participants, including Yuzhou (Henan), Shexian (Anhui) and Sandu Shui Nationality Autonomous County (Guizhou).

Patent Utilization and Commercialization

In 2008, two more State Patent Commercialization Pilot Bases were established, making the total to 13. One industrial design and creation base was approved to be founded in Shunde, Guangdong. A second batch of 19 State Patented Technology Demonstration and Trade Centers were approved to operate. Currently, there are 38 such centers spanning in 26 provinces.

SIPO organized in various provinces simultaneously the Second China Patent Week, with the theme of "Implementing IPR Strategy, Developing IPR Market and Building the Innovation Country". The National Commission for Development and Reform, Ministry of Education, Ministry of Science and Technology, Ministry of Industry and Information Technology, Ministry of Railway, Ministry of Agriculture, Chinese Academy of Sciences, China Development Bank and 26 provincial

governments were the supporters of this event. More than 130,000 participants attended the event. During the event, there were 363 closed deals, with the amount of 5,648 million RMB and 12 million US dollars, and 872 intended bargains, with the amount of 1,895 million RMB. Several other activities, including the China Patent Achievement Exposition Celebrating 30th Anniversary of Reform and Opening-up & the Exhibition on Technology Innovation and IPR achievements of Jiangxi Province as well as the Seminar on IPR System and Innovation Country, were held in the main meeting venue of Nanchang, Jiangxi.

SIPO issued the Decision on Granting the 10th Chinese Patent Awards, honoring 15 patents with Chinese Patent Gold Medal, 144 patents with Chinese Patent Award of Excellence, 6 Best Organizations, 16 Organizations of Excellence and 6 Best Recommendations.

IPR Asset Appraisal and Pilot Project for IPR Pledge Financing

In order to comprehensively understand the status quo of IPR asset appraisal, rating the public's cognitive degree, opinions and demand of this work, SIPO issued a circular to conduct a survey on IPR asset appraisal in the country, in cooperation with the China Appraisal Society. The China Appraisal Society was entrusted to formulate Principles of Asset Appraisal and Guiding Opinions on Patent Asset Appraisal, which were released to the public. Some leading experts in the field of IPR asset appraisal were hired by SIPO and a nationwide asset appraisal expert database initially took shape. Besides, some leading asset evaluation agencies were invited to appraise the value of the 15 patent projects winning the 10th Chinese Patent Gold Medal and to formulate procedural instructions for the asset appraisal .

Registration of Patent Pledge Contracts and Recordation of Patent Licensing Contracts

In 2008, SIPO initiated the pilot project for IPR pledge financing and approved six organizations, including Beijing Haidian District IPR Office, as the first batch of organizations to run the project. Measures on Registration of Pledged Patents and Measures on Recordation of Patent Licensing Contracts were amended. In 2008, 88 patent pledge contracts were registered, worth 1,329.36 million RMB. The amount of recorded patent licensing contracts increased sharply. 8,350 patent licensing contracts were recorded, involving 12,193 patents.

Establishment of Patent Receiving Branches.

SIPO approved establishment of local patent receiving branches in Hefei and Yinchuan respectively, adding the total to 26 across the nation by the end of 2008.