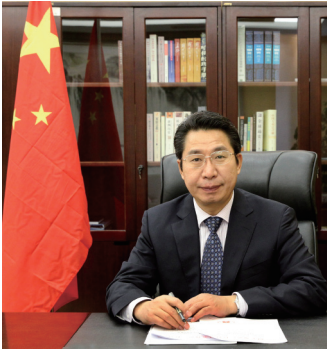


## Message from the Commissioner



**Shen Changyu**, Commissioner of State Intellectual Property Office

The year 2013 was a remarkable year in the historical process of China's reform and opening up. The Third Plenary Session of the 18<sup>th</sup> National Party Congress was successfully convened, during which new requirements for developing China's intellectual property undertaking were brought forward, featuring strengthening of IP utilization and protection, improving the incentive mechanism on technical innovation, and exploring to establish IP court. This has identified a new direction for the development of Chinese IP undertaking.

In 2013, officials and staffs of the national IP system worked together to further bring forward the implementation of national IP strategy, and to constantly improve their work style. IP work of various aspects witnessed remarkable progress.

**The implementation of the National IP Strategy made fruitful achievements.** The five-year goals set up in the Outline of National IP Strategy were accomplished on the whole, with IP legal and policy systems further improved, and the capacity of IP creation, utilization, protection and administration clearly promoted. A videophone conference on the implementation work of the National IP Strategy was convened, to which State Councilor Wang Yong presented and delivered important remarks, making comprehensive deployment of implementation work for the next step. The work on formulating Action Plan for further Implementing National IP Strategy (2014-2020)

was initiated. Patent undertaking also made steady progress. By the end of 2013, the number of invention patents owned by per 10,000 Chinese people was 4.02, reaching in advance the target set for the 12<sup>th</sup> Five Year Plan.

**The building of IP legal and policy systems made steady progress.**

The Draft Amendment to the Patent Law (for deliberation) was submitted to the State Council, and the Draft Regulation on Service Invention (for deliberation) was completed. Further improvement to the amendment of a series of laws and regulations such as the Regulation on Patent Commissioning was made. Efforts were made to establish guiding and coordinating mechanism for local patent legislations, and the feasibility studies over the legislation on parent promotion and protection were carried out.

**Patent applications grew steadily and patent examination capacity clearly strengthened.** Throughout the year, SIPO received 2,377,000 patent applications, increased by 15.9% compared with the previous year. The number of invention patent applications was 825,000, increased by 26.3% year on year. The number of concluded cases maintained its growth momentum, with higher efficiency and steady pendency. The pendency for the substantive examination of invention applications, and for the examination of utility model applications and industrial design applications was 22.2, 4.3 and 3.8 months respectively. SIPO received 22,924 PCT applications during the year, increased by 15%, and brought China to the third place internationally. Also during the year, SIPO concluded 14,805 reexamination requests and 2,313 invalidation requests. The number of patent examiners working in SIPO's internal departments was 2,757, with another 5,844 patent examiners working in 7 Patent Examination Cooperation Centers.

**IP transfer and utilization made obvious achievements.** The pilot project of Patent Navigation was initiated, and the first batch of National



Experimental Zones for Developing Patent Navigation Industries was identified. All-round efforts were made in fostering enterprises with IP advantages, and a first batch of 127 National IP Demonstration Enterprises and 771 Enterprises with IP Advantages were identified. The implementation of Norms on the Management of IP in Enterprises was promoted on a comprehensive basis, and nearly 1,800 enterprises across the country started applying the ISO criteria. IP pledge financing was further promoted, and pilot for IP investment and financing services carried out. Throughout the year, the total amount of financing through pledge was 25.4 billion RMB, increased by 80% compared with the previous year.

**The capacity of IP enforcement was further enhanced.** The building of mechanisms on both fast mediation of patent disputes and cross-regional enforcement coordination was further promoted, and the “Convoy” Special Campaign on IP Enforcement and Right Safeguarding was extended. The social satisfactory survey outcomes on enforcement and case-solving, as well as IP protection by the national IP system were included into performance evaluation indicators of the local government by the Office for Combating Intellectual Property Infringement and the Production and Sales of Counterfeiting and Forged Commodities. A three level national patent enforcement and case-handling information reporting and submission system was put into practice. For the whole year, a total number of 16,227 cases were handled, a year on year increase of 79.8%. The number of cases involving patent disputes was 5,056, doubled the number of the previous year. The IP market environment was further improved.

**The overall capacity of IP administration was enhanced.** In cooperation with relevant government departments, SIPO has formulated a series of important policy documents, such as the Norms on the Management of IP in Enterprises, Opinions on Promoting the Social and Economic Development with IP in Central China Economic Zone, and Opinions on Fostering IP Culture. The Patent Indicator Evaluation System and the IP Statistical Indicator System were further improved. 18 new IP Demonstration Cities

were approved, and the first batch of 22 IP Demonstration Counties or Districts was identified. The appraisal and selection work of the 15<sup>th</sup> round of Chinese Patent Award was delivered, and the 7<sup>th</sup> Chinese Patent Week was successfully organized.

**IP service was brought to a higher level.** 26 IP analysis and evaluation service demonstration organizations were selected. The study and formulation work over Mid and Long Term Development Planning of the Patent Commissioning Industry was initiated. SIPO helped encourage universities to include degree education on patent commissioning into their curriculums, and trained around 2,000 patent agents over the practical skills. For the annual patent agent qualification examination, 3,812 participants passed the exam, increased by 28.5%. 97 new patent agencies were approved, increased by 126% over the previous year, which made the total number of patent agencies to 1002, and the number of practicing patent agents to 8,950. The Patent Data Resources Management System, which is a core system of the National Patent Data Center, went on line. 14 new patent information service centers were approved and 7 new patent information dissemination and utilization bases set up.

In 2013, the team building of IP talents and officials made remarkable progress, with the number of professional IP talents reaching more than 80,000. IP publicity and culture building made new achievements, and a series of publicity activities such as the Fifth Anniversary of the Implementation of National IP Strategy, the IP Publicity Week, as well as the Patent Week have exerted wide and positive influence. IP international exchanges and cooperation were brought forward on a comprehensive basis, making China more and more influential in international IP affairs.



The year 2014 is an important year in the sense of further implementing the spirit of the 18<sup>th</sup> National Party Congress and its 2<sup>nd</sup> and 3<sup>rd</sup> Plenary Sessions, and promoting the innovative development of IP undertakings. We will further implement the National IP Strategy, strive to strengthen IP utilization and protection, promote the building of IP system and basic systems at grass-roots levels, push forward the transformation of China from a country with big numbers of IP to a country with strong IP capacities, so as to make greater contributions to China's economic upgrade, to the building of all-round well-off society, and to realize the Chinese Dream of the great rejuvenation of the Chinese nation.

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*Shen Changyu*