

W&B IP Newsletter

Sep. of 2019, Vol. 29

Contents

Patent

CNIPA Publishes Administrative Measures for Centralized Examination of Patent Applications (Trial Measures)	2
Latest Release: Shanghai Service Guidelines for Priority Patent Examinations (Trial Measures)	4

Trademarks

Regulations on Electronic Trademark Applications Implemented on September 1 st	4
Latest Release: 2018 Chinese Madrid Trademark International Registration Data Report	5

Copyright

Beijing Internet Court: Over 30,000 Cases Accepted During the Past Year; Copyright Cases Account for Nearly 80%	6
---	---

Intellectual Property

Shocker: 3,000,000 RMB Trial Judgment Granted for Shanghai's First IP Infringement Case involving Punitive Damage	8
---	---



Website: www.watsonband.com

E-mail: mailip@watsonband.com | mail@watsonband.com

Patent

CNIPA Publishes Administrative Measures for Centralized Examination of Patent Applications (Trial Measures)

On August 30th, 2019, the Chinese National Intellectual Property Administration (“CNIPA”) issued the Administrative Measures for the Centralized Examination of Patent Applications (Trial Measures) (hereinafter, the “Measures”). The Measures were enacted to implement the Several Opinions of the State Council on Accelerating the Construction of a National Intellectual Property Powerhouse in the New Era, and to establish a system of centralized examination for patent applications in major competitive industries. The Measures became effective on the date of issuance. The key provisions of the Measures include:

Administrative Measures for the Centralized Examination of Patent Applications (Trial Measures)

Article 2 Centralized examination refers to a patent examination system by which the National Intellectual Property Administration executes the centralized examination of a portfolio of patent applications for the same key technology, based on the request of either the applicant, a provincial intellectual property authority or another party. This is done to enhance understanding of the technology of the patent application portfolio, to improve the effectiveness of the examination, and to enhance quality and efficiency.

Article 3 A patent application for which centralized examination is requested shall meet the following requirements:

1. It is an application for an invention patent, whose request for substantive examination is already in force but examination has not yet begun. Where the same applicant applies for both a utility model patent and an invention patent for the same invention on the same day, the application for the invention patent will not be included within the scope of centralized examination at that time.
2. The application involves a key national industry or is of great significance to the national and public interest.
3. At least 50 applications are included in the same packet, and the effective time span of the request for substantive examination is no more than one year.
4. The application is not eligible for priority examination or other such examination policies.

Article 4 The party who initiates a request for centralized examination shall submit the request materials to the Examination Business Management Department of the Patent Bureau of the National Intellectual Property Administration. In these materials, the requesting party shall explain in detail the specific reasons for requesting centralized examination, and shall provide a list of patent applications along with the corresponding relationships between each patent application and the patent application portfolio, as well as the signatures or seals of all patent applicants and their contact details (including a contact representative). A list of patent applications shall also be submitted in electronic form.

Article 5 The centralized examination of patent applications shall be jointly organized and undertaken by the Examination Business Management Department and the examination department/unit of the Patent Bureau of the National Intellectual Property Administration (hereinafter referred to as the "examination department/unit").

Patent

Article 6 The Examination Business Management Department shall be responsible for the overall planning and coordination of centralized examination work, which work shall consist of the following:

1. Responding to and auditing requests for centralized examination.
2. Providing comprehensive consideration of the needs of the applicant, the sequence of examination of case sources, examination capabilities in the relevant technical field and other factors. In general, centralized examination should begin three months after the effective date of substantive examination and the identification of cases for centralized examination in the case source system.
3. Directing the appropriate examination department/unit to commence a centralized examination.
4. Undertaking other work that requires comprehensive planning and coordination.

Article 7 The examination department/unit shall be responsible for the centralized examination of cases, which shall consist of the following:

1. Establishing a management team for centralized examination work, to organize and coordinate the centralized examinations of the appropriate department/unit;
2. Organizing outstanding examiners who possess strong skills, rich experience and a strong sense of responsibility to undertake centralized examinations.
3. Organizing and executing technical briefings, meetings, surveys and research, itinerant examinations, etc. as needed.
4. Undertaking other tasks related to centralized examination.

Article 8 When centralized examination is authorized, the patent applicant shall provide active cooperation in its implementation, as follows:

1. Providing relevant technical materials as required by the examination department/unit;
2. Actively cooperating in technical briefings, meetings, surveys and research, itinerant examinations, etc. assigned by the examination department/unit;
3. Promptly responding with feedback concerning problems, experiences, effects, values and other issues that arise in the course of the implementation of centralized examination; and
4. Performing other tasks that require cooperation.

Article 9 Where a patent application undergoing centralized examination is subject to any of the following circumstances, the Examination Business Management Department or the appropriate examination department/unit may terminate the centralized examination procedures for the affected packet of applications:

1. The applicant submits false information or documents;
2. The applicant fails to fulfill its obligations under Article 8 of these Measures;
3. Abnormal patent applications are found in the course of examination;
4. The applicant unilaterally terminates the centralized examination procedure; or
5. Other circumstances exist that justify the termination of centralized examination procedures.

(Source: National Intellectual Property Administration)

Patent

Latest Release: Shanghai Service Guidelines for Priority Patent Examinations (Trial Measures)

On August 29th, the Shanghai Intellectual Property Administration released the Circular on the Issuance of the Shanghai Service Guidelines for Priority Patent Examinations (Trial Measures) (hereinafter, the “Service Guidelines”). According to the Circular, the Service Guidelines were formulated to satisfy the needs of new entities for “rapid acquisition and confirmation of rights” and to expedite the regulatory development of the authorization of priority patent examinations.

The Service Guidelines cover the following five issues:

- Eligibility for priority patent examinations;
- The scope of application of priority patent examinations;
- The materials to be submitted;
- The examination and upload of materials; and
- Other explanations.

(Source: Shanghai Intellectual Property Administration)

Trademarks

Regulations on Electronic Trademark Applications Implemented on September 1st

Article 22 of the Trademark Law provides that documents related to trademark registration applications may be submitted in written or electronic form. The Regulations promulgated on this occasion consist of a total of 13 articles that further prescribe the requirements and procedures for the submission of electronic trademark applications, such as the requirements for trademark registration applications, subsequent procedures and a clarification of the differences between electronic applications and paper applications. The purpose of the Regulations is to ensure the validity of electronic applications throughout the registration process and during subsequent procedures, and to enhance the practical effectiveness of the Trademark Law.

According to the Regulations, the various trademark application services launched within the CNIPA’s online service system will all be subject to the Regulations. Along with the continuous improvement and development of the system, the scope of applications will be gradually expanded.

(Source: National Intellectual Property Administration)

Trademarks

Latest Release: 2018 Chinese Madrid Trademark International Registration Data Report

Recently, IPRdaily and Guo Fang Trademark Software jointly released the 2018 Chinese Madrid Trademark International Registration Data Report. Below are excerpts from the Report.

2018 Chinese Madrid Trademark International Registration Data Report

Data extracted during the period from January 1, 2018 to December 31, 2018

Notes on Deviations in the data:

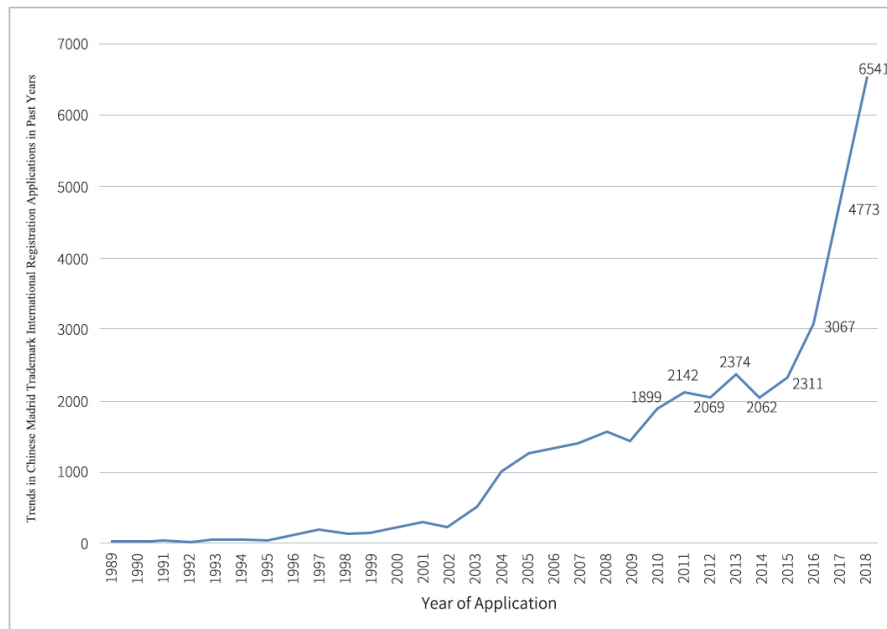
The statistical data herein does not include trademark-related data that has been submitted but not published in the official website of the World Intellectual Property Organization (“WIPO”). As a result, the statistical data herein may amount to a bit less than the figure of 6,903 that was published by the Chinese National Intellectual Property Administration.

Overview

According to preliminary statistics, in 2018 Chinese applicants submitted a total of 6,541 Madrid trademark international registration applications, for an annual growth rate of 37%.

WIPO published the Madrid System Yearbook, according to which Chinese Madrid trademark international registration applications reached a new record high, ranking third among Madrid Union members. China has been among the top three members since last year.

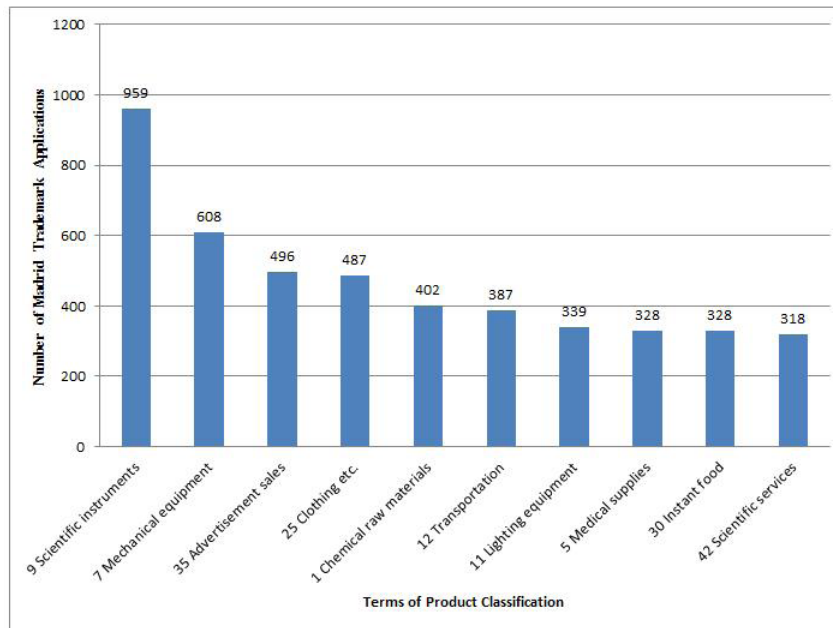
1. Trends in Chinese Madrid Trademark International Registration Applications in Past Years



It can be seen from the chart above that after China joined the WTO in 2002, a rapid increase occurred in the number of Madrid trademark international registration applications. The number of applications filed in 2015, promoted by a series of factors including the national Belt and Road Initiative, further accelerated, setting new records each succeeding year. In 2018 the number reached 6,541, for a growth rate of 37%, which showcased the enhanced capacity of Chinese enterprises in overseas trademark portfolios as well as the accelerating pace of “Emerging China”.

Trademarks

2. Top 10 Product Classifications for Chinese Madrid Trademark International Registration Applications in 2018



In terms of product classification, the top three product classifications among Chinese Madrid trademark international registration applications filed in 2018 are: Class 9, scientific instruments (959 applications) accounting for 11% of the total; Class 7, mechanical equipment (608 applications) accounting for 7%; and Class 35, advertisement sales (496 applications) accounting for 6%. Among applications for service marks, 2018 is the first year that Class 35 ranked among the top three and Class 42 ranked among the top ten. This change illustrates China's transition from an industrial manufacturing economy to a service economy.

3. Analysis of the Development of the Top 3 Classifications among the Madrid Trademark International Registrations During the Past 10 Years



Trademarks

Over each of the latest ten years, the number of Chinese Madrid trademark international registration applications for Class 9 (scientific instruments) and Class 7 (mechanical equipment) have exceeded 200. Notwithstanding a slight decline in the year 2013, both of these numbers showed steady increases in succeeding years. On the other hand, the number of applications for advertising services was quite limited at first, but began a slow rise from the year 2014 onward. It exceeded 100 for the first time in 2014, and it continued rising during subsequent years, at a pace that closely matches China's industrial restructuring.

(Source: IPRdaily)

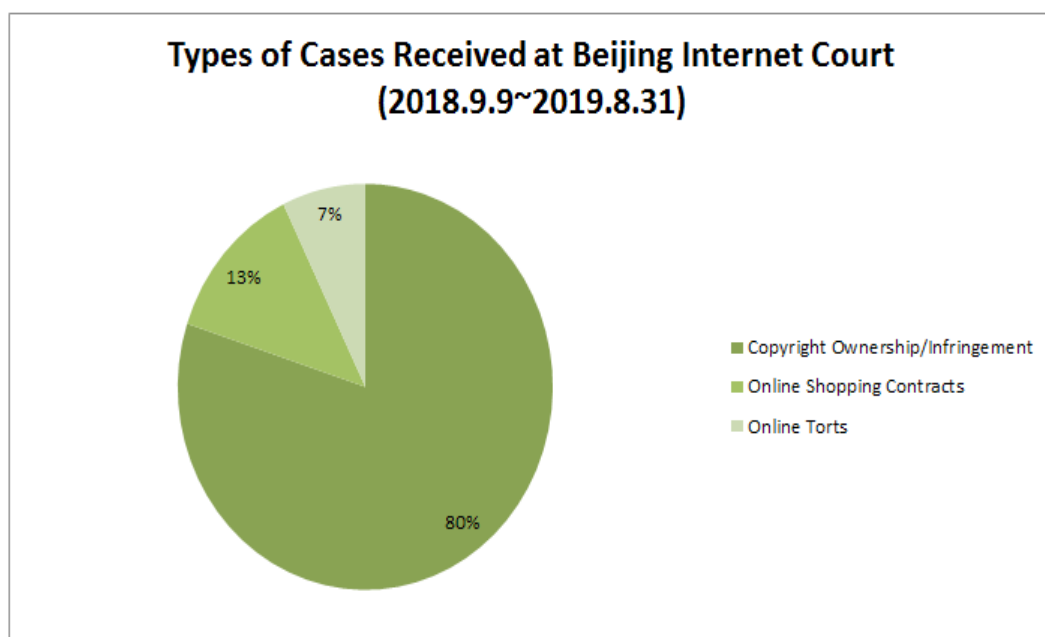
Copyright

Beijing Internet Court: Over 30,000 Cases Accepted During the Past Year; Copyright Cases Account for Nearly 80%

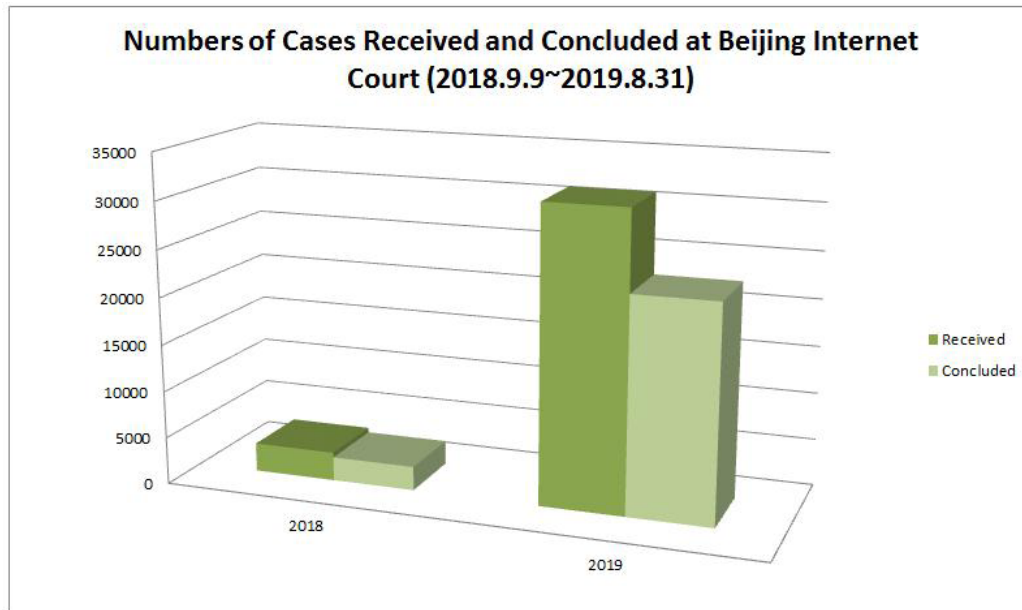
On September 3rd, the Beijing Higher People's Court and the Beijing Internet Court jointly hosted a press conference for the first anniversary of the Beijing Internet Court. It released the White Paper on Trials by the Beijing Internet Court (hereinafter the "White Paper"). According to the White Paper, from September 9th, 2018 to August 31st, 2019, the Beijing Internet Court received a total of 34,263 cases and concluded 25,333 cases.

As revealed in the White Paper, a considerably large number of cases were received and concluded. A large proportion were IP cases; and various new types of cases were filed.

Statistical data for this period, shown in the White Paper, is listed in the tables below:



Copyright



(Source: National Copyright Administration)

Intellectual Property

Shocker: 3,000,000 RMB Trial Judgment Granted for Shanghai’s First IP Infringement Case involving Punitive Damages

A foreign company sued a domestic sports equipment company in China, alleging that the defendant was suspected of manufacturing and distributing sports equipment that infringed upon its registered trademark. In addition to demanding that the defendant cease its infringement, the plaintiff also claimed economic losses of 3,000,000 RMB, including attorney’s fees and notarial fees.

On the afternoon of September 6, 2019, the Shanghai Pudong District People’s Court (hereinafter the “Court”) issued a judgment for this case. The Court ruled that the defendant had gained over 1,000,000 RMB from the infringement; further, since the defendant’s trademark infringement met the conditions for triggering punitive damages liability under the Trademark Law, the Court awarded the full amount requested by the plaintiff.

This is the first case in Shanghai in which punitive damages for the infringement of IP rights have been awarded. The Court’s judgment analyzed the conditions for punitive damages after the implementation of the amended Trademark Law in terms of eligibility for punitive damages as well as the base amount for assessing these damages. This case will likely serve as an important precedent for similar cases in future.

(Source: IPRdaily)