

# **China's Intellectual Property Protection in 2010**

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## FOREWORD

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The year of 2010 was the closing chapter for the 11<sup>th</sup> Five-year Plan and the key year to fully initiate the implementation of the national intellectual property (IP) strategy of China. Closely focusing on the central task of economic construction, the Chinese government stuck to the independent innovation program with Chinese characteristics and strengthened the implementation of the national IP strategy. To implement the overall arrangements by *Outline of National Intellectual Strategy*, relevant ministries in charge of IP protection in China have been strengthening work base and effectively promoting various IP protection from legislation, examination and registration, enforcement, construction of mechanism and capabilities, publicity, education and training, international exchange in line with the concrete arrangements by *China's Action Plan on Intellectual Property Protection 2010* and principles of “improving system, strengthening enforcement, emphasizing special campaigns, promoting coordination, enhancing publicity, and regulating administration”. Remarkable achievements have been made in 2010.

## LEGISLATION

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In 2010, regular IP legislations were made according to the needs of economic and social development with the outcome of steadily improved IP laws, regulations, rules and relevant regulatory documents.

Patent system has been improved with the completion of the 3<sup>rd</sup> revision of *Patent Law*. The amended *Implementing Regulations of the Patent Law* came into force on February 1, 2011. The amended *Patent Law* and *Implementing Regulations of the Patent Law* prescribed stricter conditions to patent granting improved examination system for patents for design and compulsory license system, added system of preservation of evidence in proceedings, supplemented measures to protect public interests, and strengthen patent protection. In the meantime, 12 regulations like *Measures on Patent Administrative Enforcement* and *Guidelines for Patent Examination* were formulated and revised. In particular, *Measures on Patent Administrative Enforcement* was revised to settle the pressing issues in patent administrative enforcement practices, further standardize the enforcements, and strengthen patent protection.

The revision of *Trademark Law* was pushed forward continuously. In 2009, State Administration for Industry and Commerce (SAIC) submitted the *Trademark Law* (revised for review) to the State Council. By now, SAIC has finished soliciting public comments from all walks of life and is conducting discussion and study on core issues. At the same time, the revision of supplementary laws and regulations like *Implementation Regulations on Trademark Law* are being advanced steadily.

The freshly amended *Copyright Law* was published on February 26, 2010 and came into force on April 1, 2010. The *Measures on the Registration of Copyright Pledge* was published on November 25, 2010. Revision and formulation of a series of laws, regulations, and rules were also advanced remarkably, such as *Protection Regulations on Copyrights of Folklore*, *Regulations on Voluntary Registration of Works*, *Regulations on Legal Payment for Textbook*.

The *Regulations of the People's Republic of China on Customs Protection of Intellectual Property Rights* came into force from April 1, 2010.

Ministry of Agriculture (MOA) published *The 8<sup>th</sup> Protection List of Agricultural Varieties of Plants* and organized the revision and formulation of a series of regulations, like *Regulations on Settling Infringement Cases Involving New Agricultural Varieties of Plants*, *Examination Regulations of Reexamination Board of New Varieties of Plants of The Ministry of Agriculture* and the *Naming*

*Regulations on Agricultural Varieties of Plants*. Also, MOA drafted *Administration Regulations on Registering Ownership of Agricultural Genetic Resources* (draft) and formulated *Provisional Regulations on Applying for Varieties of Plants in Mainland by Applicants from Taiwan Area* (in collaboration with the State Forestry Administration) as well as the *Technical Specifications on Quality Control of Geographical Indications of Agricultural Produces* (editing guidance).

In consideration of characteristics of various IPRs and protection needs, Supreme People's Court (SPC) formulated and published regulatory documents to standardize and unify trial of IP cases. In April, it constituted and published *Opinions of the Supreme People's Court on Issues Involving Trial of Administrative Cases Concerning Decisions on Ownership of Trademark*. It represented the first normative document which provided guiding rules on judicial review standards for administrative cases involving decisions on ownership of trademark granting. In November, it launched the *Circular on Trial of Copyright Disputes Involving Internet Bar*, which was intended to specify the trial principles and standards relating to pressing copyright issues involving Internet bars. The drafting of judicial interpretation for civil cases involving monopoly disputes was steadily advanced and initial version was developed for discussion. In addition, SPC assessed and reviewed cases involving recognition of well-known trademarks and formulated specific judicial regulations.

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## EXAMINATION AND REGISTRATION

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2010 witnessed the steady advances in IPR examination and registration and new breakthroughs in terms of quality and quantity.

In 2010, State Intellectual Property Office (SIPO) accepted 1,222,286 patent applications in total, exceeding 1 million for the first time and a year-on-year increase of 25.1%. Among them, 1,109,428 were from home, representing 90.8% of the total and a year-on-year increase of 26.4%; 112,858 of which were from abroad, representing 9.2% of the total and a year-on-year increase of 13.9%. Among them, 391,177 were invention patents, representing 32.0% of the total and a year-on-year increase of 24.4%; 409,900 of which were utility model patents, representing 33.5% of the total and a year-on-year increase of 31.9%; 421,273 of which were industrial design patents, representing 34.5% of the total and a year-on-year increase of 19.9%.

In 2010, SIPO granted 814,825 patents, a year-on-year increase of 40.0%; among which, 740,620 were granted to domestic applications, representing 90.9% of the total and a year-on-year increase of 47.6%; 74,205 were granted to foreign applications, representing 9.1% of the total and a year-on-year decrease of 7.5%. 135,110 invention patents were granted, representing 16.6% and a year-on-year increase of 5.2%. 344,472 utility model patents were granted, representing 42.3% of the total and a year-on-year increase of 69.0%; 335,243 industrial design patents were granted, representing 41.1% of the total and a year-on-year increase of 34.3%.

In 2010, SIPO received a total number of 12,917 international applications under PCT, a year-on-year increase of 61.5%. 62,558 international applications entered into China's national phase, a year-on-year increase of 16.6%, including 62,317 invention patent applications and 241 utility model patent applications.

In 2010, Patent Reexamination Board of SIPO accepted 12,369 requests for reexamination, up 3,174 compared with that in 2009 and a year-on-year increase of 34.5%. As many as 2,411 requests for invalidation were accepted, up 164 compared with that in 2009 and a year-on-year increase of 7.3%.

In 2010, SIPO accepted 1,108 applications for registration of layout designs of integrated circuits, and 1,009 registrations were announced with certificates.

SIPO recorded a rapidly increasing number of 9,771 patent licensing contracts. Also, it licensed 18,540 patents, registered 362 patent pledge contracts worth of 6,596,960,000 yuan.

In 2010, SAIC accepted 1,072,087 trademark applications, exceeding one million and ranking No.1 in the world for nine consecutive years. 1,480,680 trademark applications in total were examined. The duration of examination was reduced to within one year from 36 months and backlog in trademark examination was settled at last two months before the deadline. There were 48,930 applications for opposition, a year-on-year increase of 24.07%; 32,447 applications for opposition were closed, a year-on-year increase of 29.68%. In 2010, SAIC accepted 78,016 applications for trademark renewal, among which 68,141 were settled; 127,995 applications for trademark registration change, among which 111,381 were handled; 86,182 applications for trademark transfer, among which 84,966 were dealt with; 20,524 applications for recording of trademark licensing contract, among which 24,554 were finished; 2,120 special signs and 4 official signs were recorded. By the end of 2010, there were of 8,295,000 trademark applications, 5,628,000 registered trademarks and 4,604,000 valid registered trademarks in total in China, all ranking first in the world. SAIC accepted 382 applications for geographical indications with 269 registered and preexamined. By the end of 2010, an accumulative number of 1,040 geographical indication trademarks were approved for registration and preexamination. An aggregate of 951,200 trademarks for agricultural produces were approved and registered.

In 2010, SIAC accepted 16,142 territorial extension applications of Madrid international registration for trademarks from International Bureau of WIPO and Chinese nationals filed 1,820 applications of Madrid international registration for trademarks through TMO. By the end of 2010, there was an accumulative number of 154,302 valid trademarks of Madrid international registration designating China for territorial extension, which made China the No.1 for six consecutive years. Chinese nationals filed accumulatively 11,427 applications of Madrid international registrations for trademarks, which made China rank No.1 in developing countries.

In 2010, SAIC accepted 72,253 new applications for trademark review in total, a year-on-year increase of 24.9%. Among them, 61,920 cases were rejected for retrial, a year-on-year increase of 22.4%; 10,333 complex cases involved disputes or opposition for reexamination, a year-on-year increase of 41.8%. A total number of 39,220 cases involving trademark review were examined, a year-on-year increase of 9%. Among them, 29,985 reexamination cases were reviewed and rejected, a year-on-year increase of 9.8%. 9,235 cases concerned disputes and opposition for reexamination were reviewed, a year-on-year increase of 9.8%. 103 applications for administrative reconsideration were filed to settle the disputes involving registration proceeding of trademark, a year-on-year increase of 22.6%.

China has been maintaining rapid growth in copyright registration for five consecutive years, with a total number of 81,966 pieces of copyright registered in 2010. The total volume of registered copyrights in China grows from more than 20,000 pieces in 2006 to more than 80,000 pieces thorough the 11<sup>th</sup> Five-year Plan, increasing by three times with an annual growth rate of 37%. There is an accumulative number of 240,000 pieces of registered copyrights in five years, four times the number in the 10<sup>th</sup> Five-year Plan. The aggregate volumes of registered voluntary work, copyright contract, and copyright pledge contract grow year by year, reaching 375,649, 502, and 77 respectively in 2010.

MOA and State Forestry Administration (SFA) further strengthened the protection of new varieties of plants in 2010. MOA accepted a total number of 1,206 applications for new varieties of plants from both home and abroad, reaching historic high, including 116 international applications, an increase of 11.5% compared with that in 2009. The annual application volume ranked No.4 among members of International Union for the Protection of New Varieties of Plants (UPOV). MOA also optimized the process of examining and testing the application of plant variety rights, granting 666 pieces of plant variety right, an increase of 34.8% compared with that in 2009. MOA also accepted 25 requests for reexamining various

new varieties of plants and closed 25 cases, five times that in 2009. By December 31, 2010, there were 7,761 applications for new plant variety rights from both home and abroad in total with 4,214 applications closed and 3,473 granted. The registration of geographical indication for agricultural products was also accelerated. 334 new geographical indications for agricultural product in total were announced and issued certificates in 2010, adding the total number to 536 by the end of December of 2010. SAF accepted 89 applications for new variety rights, preexamining 95 such applications, examining 38 such applications substantively and granting 26 new varieties of plants in 2010. The application and granting numbers of the 11<sup>th</sup> Five-year Plan period increased by 81% and 115% respectively than the previous five years. In 2010, the recordation of customs IP protection maintained steady growth. By the end of 2010, GAC had examined and approved 20,194 applications for recordation in total, including 3,035 new applications.

## ENFORCEMENT

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### 1. Special campaign

In 2010, IP-related ministries in China further integrated IP enforcement in line with respective functions by improving enforcement mechanisms and strengthening enforcement.

To strengthen the IP protection and maintain a fair and orderly market, the State Council of China launched the nationwide Special Campaign against IPR Infringements and Production and Sales of Counterfeited and Forged Commodities (Hereinafter referred to as the Special Campaign) from October 2010 to March 2011. The Special Campaign primarily targeted manufacturing hubs, commodity distribution centers, key regions of rampant IP infringements, production and sales of counterfeited and forged commodities, key fields like press and publishing, culture and entertainment, new and high technology industry, and agriculture, infringements in key commodities like books, audio and video products, software, bulk exporting commodities, auto spare parts, mobile phones, drugs and seeds, etc.

During the Special Campaign, various regions and departments took active measures and implemented action plans to drive the Special Campaign smoothly with remarkable achievements.

SIPO issued several documents relating to the Special Campaign, like *Circular on Printing and Distributing Action Plan for Special Campaign by IP Administrations* and *Circular on Further Paying Close Attention to the Implementation of Task Assignments in Special Campaign* and *Circular on Strengthening Service for Settlement of Reporting and Complaints by IPR Assistance Centers*. Also, SIPO strengthened the crackdown on massive and repeated patent infringements, patent counterfeiting as well as the construction of IPR assistance centers and their settlement of reporting and complaints work.

IP administrations across China dramatically intensified the patent enforcement with remarkable growth of settlement of patent cases since the implementation of the Special Campaign. From October to December of 2010, 805 patent cases were settled in total, 44.16% of the yearly amount, among which 458 cases were patent disputes, a year-on-year increase of 99.13%; 347 cases involved counterfeiting patents, a year-on-year increase of 101.74%. As many as 7,044 person times of enforcement officials were dispatched, a year-on-year increase of 102.59%; 2,568 business premises were inspected, a year-on-year increase of 96.78%; 732,073 pieces of goods were checked, a year-on-year increase of 89.02%; 478 cross-region enforcement actions were launched, a year-on-year increase of 419.57%. Patent infringements and counterfeiting were severely punished.

Administrations for Industry and Commerce (AICs) at all levels across China actively implemented the Special Campaign. By January 7, 2011, a total number of 722,350 person times of enforcement officials were dispatched and 1,694,779 business entities as well as 108,213 wholesale and retail markets and fairs were inspected. 1,372 businesses manufacturing or selling counterfeiting commodities were raided. 16,036 infringement or counterfeiting cases were investigated, including 2,525 involving infringements of well-known trademarks, 2,439 involving exclusive rights of international trademarks and 242 involving

exclusive rights of geographical indication trademarks. 91 cases involving sales of fakes via Internet were investigated and settled. 17,397 pieces of complaint and reporting from consumers were accepted and 73,842,010 yuan were reclaimed.

Focusing on the Special Campaign, copyright administrations nationwide focused on regulating upstream printing and copying businesses, publication market, and combating online infringements and piracy as well as strengthened administrative enforcement and market supervision. By now, initial results were achieved in investigating and cracking major cases with conclusion of 5 cases and 34 cases entered judicial process (55 cases under supervision in total). The inspection and correction involving the application of legal software among governments were steadily advanced. 31 central governmental agencies and municipal and district agencies in Qingdao completed the task. Also, the application of legal software among enterprises was actively promoted and 1,621 enterprises inspected reached this goal.

GAC prepared specific implementing programs for the Special Campaign. By the end of February, 2011, China Customs detained around 7,389 batches of cargo, involving 44,070,000 pieces of infringing goods valued at 103,000,000 yuan.

Ministry of Public Security (MPS) launched the Operation Strike of the Sword in line with the Special Campaign. By the end of 2010, public security departments nationwide uncovered 2,049 cases involving IPR infringements and counterfeits worth 2,307,000,000 yuan, captured 4,157 suspects, arrested 930 criminals, raided 916 fake-manufacturing businesses, and wiped out 417 wholesale gangs engaged in selling infringing and counterfeiting goods. 306 major cases valued at over one million yuan each were uncovered, a year-on-year increase of 300%. During the Operation Strike of the Sword, public security departments nationwide cracked a series of major cases, like 7.16 fake medicine case in Beijing, printer consumable case involving HP and Canon by Zhang in Jiangxi province, counterfeited women and infant necessity case by yuan in Shandong province, distribution of fake acoustics equipments via Internet case by Ao in Guangdong province, etc. To ensure rigorous and thorough investigation, MPS sorted out 50 major cases as the first batch of cases under direct supervision and assigned them to local public security departments nationwide as the chief concerns.

## **2. Regular enforcements**

In line with respective functions, IP-related departments strengthened regular enforcement to vigorously advance IPR protection while combating IPR infringements and counterfeits through implementing the Special Campaign.

In 2010, SIPO issued a host of documents to deploy, guide, and push nationwide enforcement, like *Arrangement of Enforcement Activities among Intellectual Property Administrations across the Nation in 2010* and the *Guideline on Patent Administrative Enforcement*. Intellectual property administrations nationwide effectively restrained the massive and repeated patent infringements as well as patent frauds, deterred criminals, and created favorable conditions for innovation and development through launching special campaigns for IPR enforcement like Thunderstorm and Skyenet.

In 2010, local IP administrations across the country received a total of 1,095 patent disputes concerning infringement and 18 of other types. 728 cases relating to counterfeiting patents were investigated and dealt with. In those actions, 20,646 person times of enforcement officials were dispatched; 10,642 business premises were inspected; and 2,134,668 pieces of goods were checked; 545 trans-department joint enforcement actions were organized and 972 cross-region enforcement actions were launched.

Centering on the protection of exclusive rights of registered trademarks, the administrations for industry and commerce (AICs) at all levels across China intensified administrative enforcement for trademarks and severely punished trademark infringements and counterfeiting by strengthening verification and protection of well-known trademarks, giving priority to crackdown on crimes relating to infringements of

trademarks of foods, medicines and agricultural products as well as exclusive rights of well-known trademarks, geographical indications, and foreign-related trademarks. AICs at all levels across China investigated and dealt with 56,034 cases of trademark violations, among which 7,486 were general violations of trademark, and 48,548 were related to trademark infringement and counterfeiting, 11,524 foreign-related trademark cases were investigated and handled. AICs seized and removed 12,752,200 illegal trademark labels valued at 1,405,610,000 yuan, handed over 175 cases and 163 suspects to judicial authorities for suspected trademark criminal violations. The protection of 2,310 trademarks was extended via verification as the well-known trademarks. Among them, 114 trademarks belonged to foreign nationals which were from 16 countries and regions. The legal rights of trademark owners from both home and abroad were effectively protected.

National Copyright Administration of China (NCAC) intensified administrative enforcement by launching special campaign Swordnet to crack down the internet infringement and piracy in 2010. Local copyright enforcement authorities investigated and dealt with 204 cases involving copyright infringement in the first stage of the special campaign, such as Music Online and Cui Wei Ju. 157 cases are being investigated and 30 cases suspected of criminal offence were transferred to public security department, like Jiangsu China Wide Band. Moreover, NCAC strengthened proactive supervision and regulation with real-time monitoring of video broadcastings from 15 major websites, like UUSee and Verycd.

Ministry of Culture (MOC) successively issued *Circular of Rectifying Online Music Market Order and Illegal Activities of Online Music Websites by the Department of Cultural Market of the Ministry of Culture*, *Circular of Concentrated Rectification of Illegal Online Music Websites by the Department of General Affairs of the Ministry of Culture*, *Circular of Inspecting and Handling Illegal Animation and Cartoon Products by the Department of Cultural Market of the Ministry of Culture* and other documents. Special actions were carried out to strengthen the inspection of infringing and pirated audio and video products, books and periodicals, online games, online music, and animation and cartoon products and strictly prohibited the storing, placing and selling of infringing and pirated products. Also, MOC effectively restrained the infringements and purified cultural market by cracking down a number of major cases relating to culture market in Ningbo and other regions.

In 2010, culture administrations and general enforcement authorities of culture market in the whole country dispatched a total of 8,145,206 person times of enforcement officials, ordered 131,681 businesses to rectify their wrong doings, received 47,816 reports, initiated 60,132 investigations, transferred 2,184 cases to other authorities, finished 51,248 cases, warned 120,984 businesses, imposed a total fine of 148,770,000 yuan, confiscated 1,860,000 yuan of illegal income, seized a total of 28,100,000 pieces of illegal goods, shut down 12,378 businesses to rectify their wrong doings, withdrew 426 license permits.

In 2010, MOA attached great importance to IP enforcement. It strengthened source supervision and enhanced enforcement effectiveness by focusing on production process and production source of seeds. MOA combated infringing and fake seeds by selecting 1,330 seed samples for identification from 23 provinces (autonomous region, municipality). From October, 2010, MOA canceled business licenses of 5 enterprises which produced and sold infringing and fake seeds. Local agricultural administrations investigated and settled 37 cases of infringing variety rights and producing and selling fake and shoddy seeds of 350,000 kilograms worth of over 5,000,000 yuan. Infringers paid back 127,000 yuan for owners of variety rights. MOA also strengthened the administration of production license of licensed seeds. To further strengthen administrative enforcement, MOA selected 11 major grain-producing provinces as pilot regions to conduct variety right enforcement.

State Forestry Administration (SFA) centered on the quality supervision of forest germchit as core enforcement task. To effectively strengthen the IP protection for new forestry varieties, SFA organized 4 state quality inspection centers for germchit selectively checked the quality of germchit planted in key

forestation projects in 19 provinces (autonomous regions, and municipalities), focusing on business permits, application of tagging system and source of tree seeds.

GAC actually detained 20,300 batches of cargoes suspicious of infringement, with a total value of 250,000,000 yuan and 110,000,000 pieces of goods. 99.5% of the detainment was carried out by GAC in line with relevant functions, namely 20,138 batches.

### **3. Judicial protection of IPR**

2010 witnessed the effective judicial protection of IP thanks to the overall attention and stronger efforts by national judicial authorities.

In 2010, soaring number of IPR civil cases were received by people's courts, which represented the central role of IPR civil trial in IPR judicial protection. In 2010, people's courts nationwide received 42,931 first-instance IPR civil cases and concluded 41,718 ones, year-on-year increases of 40.18% and 36.74% respectively. Among them, there were 5,785 patent cases, a year-on-year increase of 30.82%; 8,460 trademark cases, a year-on-year increase of 22.5%; 24,719 copyright cases, a year-on-year increase of 61.54%; 670 technology contract cases, a year-on-year decrease of 10.31%; 1,131 unfair competition cases (including 33 first-instance monopoly civil cases), a year-on-year decrease of 11.78%; 1,966 other types of IPR cases, a year-on-year increase of 14.17%. The courts concluded 1,369 first-instance IPR civil cases involving foreign parties, a year-on-year increase of 0.59%; 278 first-instance IPR civil cases involving parties from Hong Kong, Macao and Taiwan, a year-on-year decrease of 21.25%. 23 first-instance monopoly civil cases were concluded. In 2010, people's courts received 6,522 second-instance IPR civil cases and concluded 6,481 ones, year-on-year increase of 22.13% and 18.01% respectively; received 111 retrial cases and concluded 109 ones, year-on-year increases of 11% and 1.87% respectively. In 2010, SPC received 313 IPR civil cases and concluded 317 ones (including those from previous years), among which 198 retrial IPR civil cases were received and 206 ones (including those from previous years) were concluded.

The quality and efficiency regarding the trial of IPR civil cases were continuously improved. The rate of first-instance IPR civil cases handled and concluded by local courts across China increased from 85.04% in 2009 to 86.39% in 2010. The retrial rate dropped from 0.33% in 2009 to 0.27% in 2010, while the retrial rate of remanded appellate case dropped from 6% in 2009 to 4.57% in 2010. Mediation of IPR lawsuits achieved great results. In 2010, the average withdrawing rate of first-instance IPR civil cases through mediation by local courts reached 66.76%, a year-on-year increase of 5.68%. The rate of first-instance civil cases concluded by national people's courts within trial deadline increased from 97.38% in 2009 to 97.93% in 2010. The conclusion rate by the IP Tribunals under SPC reached 87.33% in 2010.

In 2010, local courts concluded 3,942 IPR criminal cases relating to IPR infringement and sentenced 6,001 suspects, 6,000 of which were found guilty. Among the cases concluded, 1,254 were sentenced on the account of criminal violation of IPRs, among which 1,966 suspects were found guilty, year-on-year increases of 24.53% and 22.49% respectively; 609 cases were sentenced on the account of manufacturing and distributing of goods in inferior quality (involving IPR infringement), among which 926 suspects were found guilty; 2,054 cases were sentenced on the account of illegal business operation (involving IPR infringement), among which 3,068 suspects were found guilty; 25 cases were sentenced on the account of other crimes (involving IPR violation), among which 41 suspects were found guilty. As far as the cases sentenced for IPR infringements, 585 cases were sentenced on the account of counterfeiting registered trademarks, among which 1,028 suspects were found guilty. 345 cases were sentenced on the account of selling commodities with counterfeiting registered trademarks, among which 459 suspects were found guilty. 182 cases were sentenced on the account of illegally manufacturing and selling illegally manufactured trademark signs, among which 253 suspects were found guilty. 2 cases were sentenced on the account of counterfeiting patent, among which 3 suspects were found guilty. 85 cases were sentenced on the account of infringing copyright, among which 142 suspects were found guilty. 5 cases were sentenced on the account of selling infringing duplicates, among which 10 suspects were found guilty. 50

cases were sentenced on the account of trade secret misappropriation, among which 71 suspects were found guilty.

In 2010, local people's courts received 2,590 first-instance IPR administrative cases and concluded 2,391 ones. Among them, there were 551 patent cases, a year-on-year decrease of 17.51%; 2,026 trademark cases, a year-on-year increase of 47.23%; 2 copyright cases, a year-on-year decrease of 50%; and 11 other types of cases. SPC accepted 60 and concluded 56 IPR administrative cases.

In 2010, procuratorate agencies nationwide seriously fulfilled the functions of legal supervision like approval of arrest and prosecution and fought against IPR criminal violations. In 2010, the procuratorate agencies nationwide accepted 1,887 arrest approval applications relating to IPR criminal cases with 3,368 suspects involved in, up by 26.5% and 26.3% respectively compared with the numbers in 2009. They also approved arrest of 2,613 suspects in 1,566 cases, up by 24.7% and 23.3% respectively compared with the numbers in 2009. In 2010, procuratorate agencies nationwide accepted 4,122 suspects in 2,207 IPR criminal cases transferred from other administrative authorities for examination and prosecution, up by 14.3% and 17.2% respectively compared with the numbers in 2009; prosecuted 3,066 suspects in 1,697 cases, up by 10.6% and 13.8% respectively compared with the numbers in 2009.

Procuratorate agencies gave a full play of legal supervision so as to correct some ineffective enforcement actions in combating IPR criminal violations. In collaboration with MPS and other relevant ministries, procuratorate agencies launched a nationwide special campaign that supervised the transfer of suspected criminal cases by administrative enforcement agencies, which facilitated the standardization of transfer of local cases and the linkages between administrative and criminal enforcements. Procuratorate agencies strengthened the examination on the copies of *Decisions on Administrative Punishment* relating to IPR cases transferred by administrative enforcement authorities, gave suggestions on transferring cases relating to IPR criminal violations to public security departments on time, and supervised 31 case investigations by public security departments, up by 40.9% compared with the numbers in 2009. Procuratorate agencies paid attention to finding the clues of duty crime in malfeasance of government employees relating to IPR criminal crimes and seriously prosecuted those suspicious criminals according to laws.

In 2010, MPS always gave priority to crackdown on criminal cases, constantly intensified criminal enforcement, and kept high pressure on combating various IPR infringement crimes. Also, MPS, along with SPC and SPP, collectively constituted *Opinions on Several Issues Concerning the Applicable Law in the Handling of Intellectual Property Criminal Cases* after nearly 3 years in-depth study and investigation, which laid a sound legal base for public security departments to combat IPR crimes. To enhance the professional quality and investigation capability of public security departments nationwide, MPS systematically compiled *Technique Collection of Combating IPR Crimes*.

## CONSTRUCTION OF MACHANISM AND CAPABILITY

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In 2010, relevant agencies for IPR protection in China made new achievements in the construction of mechanism and capability by innovating working approach.

Centering on key issues in developing intellectual property and giving full play of organizing and coordinating, SIPO, jointly with 28 member agencies under the trans-ministerial joint meeting mechanism for implementing the national intellectual property strategy, issued *China's Action Plan on Intellectual Property Protection* for two consecutive years. To strengthen the communication with IPR owners, SIPO held IP Protection Symposium of Foreign Invested Institutions for three consecutive years and IP Protection Symposium of Domestic Enterprises. Trans-provincial patent enforcement mechanisms have been consolidated based on nationwide patent enforcement cooperation system, involving provinces in

Zhujiang River Delta, Yangtze River Delta, and Bohai Rim area as well as 16 provinces (municipalities) in middle China, 12 provinces (municipalities) in western China and 3 provinces in north-eastern China. Also, enforcement cooperation mechanisms within some provinces like Guangdong, Sichuan, Henan, and Hunan are being improved.

By the end of 2010, a total number of 55 local IP offices were included in the “5·26” project and 38 judicial agencies, research institutes, and legal service agencies were listed as the important national patent protection liaison bases. A nationwide network for IP protection, assistance, reporting and complaining is being developed with the establishment of 71 IPR assistance centers and the operation of IPR assistance service telephone line “12330”.

SAIC studied and established 53 state trademark strategy demonstration cities (regions) and 41 demonstration enterprises and promoted the signing of Wuhu Proclamation by 41 enterprises. SAIC also strengthened the overseas protection of Chinese trademarks by establishing overseas protection mechanism and closely cooperating with international counterparts. Two cases relating to malicious registering of Chinese well-know trademarks were successfully settled, involving the collective trademarks of Zhenjiang spice vinegar in Korea and Confucian Institute in Costa Rica. SAIC also actively explored new approach to case settlement via mediation and reconciliation. It vigorously reduced the backlog in trademark review and the examination duration. In the meantime, SAIC applied relevant laws accurately and strengthened the interpretation of laws while introducing mediation and reconciliation when appropriate, which led to unification of legal and social effects.

NCAC further regulated the business of collective management of copyright and supported the central copyright related associations and the regions with favorable conditions to tentatively establish copyright mediation mechanism. NCAC further promoted the development of copyright demonstration cities nationwide by awarding Chengdu as the National Copyright Demonstration City and approved the application for this title from Xiamen, Suzhou, Kunshan. As to copyright enforcement was concerned, NCAC creatively promoted collaborated protection and cooperation mechanism with other regions by signing Cooperative Arrangement against Online Piracy with the Customs of Hong Kong and initiating copyright coordination mechanism with intellectual property agency of Taiwan area for the follow up arrangements of the Across-straits Agreement on the Protection of IPR. Also, NCAC enhanced the direction and effectiveness in regional copyright enforcement by establishing cooperation and settlement mechanisms in Yangtze River Delta, Guangdong, Hong Kong, and Macao.

MOA held the fourth Forum on Agricultural IP to mobilize the society to study policy, issues, and resolutions regarding agricultural IP. Also, it organized the research on standard of DNA identification by fingerprint of 8 major main crops. It studied and established plan on technological supporting framework for agricultural new varieties, newly set up and expanded a number of preservation tanks (gardens) for seeds and germchit of new varieties of plants as well as some testing and appraising agencies for new varieties of plants. MOA also finished establishing information platform framework for agricultural IP.

SFA energetically explored approach to IPR enforcement in forestry in line with development characteristics and actual conditions in forestry. It established and improved protection and testing system for new varieties of plants with the initial establishment of 2 branch centers and 2 professional testing stations. It organized the compilation of testing guide for 70 new varieties of plants of forestry and examined and approved 21 testing guides including one for apricot. These guides had been incorporated into national or industrial standards and published for implementation. SFA actively developed public information service platform for forest IP information and pilot ran [www.cfip.cn](http://www.cfip.cn). Moreover, SFA strengthened the development of databank relating to forest IP, focusing on improvement and development of 10 basic databanks for IP in forestry, such as resource navigation for IP in forestry, forest patents, forest new varieties of plants rights, software copyrights, forest geographical indications, forest

IP trend, forest IP literature, and forest IP laws and regulations. Over 300,000 pieces of information were recorded into the databanks.

GAC incorporated active and passive measures in enforcements. During supervision, GAC conducted active investigation into exporting and importing cargo suspected of infringing recorded IPR or articles carried by individuals or by post suspected of IP infringement. IPR holders can apply for detaining the commodities with recorded IPR or not by customs as long as they were regarded as infringing IPR.

Collaborating with other relevant departments, MPS actively studied and optimized the mechanism linking criminal and administrative enforcements in 2010. An initial mechanism combining “active investigation” by public security departments and “spot control” by administrative departments to develop a new cooperation model of “information sharing, proactive involvement, joint action, complementation of advantages” came into being. According to statistics, public security departments nationwide accepted 754 cases transferred from administrative enforcement authorities, a year-on-year increase of 52.9% which demonstrated the effectiveness of new mechanism. MPS also actively promoted the coordination and cooperation with IPR holders in enterprises by establishing cooperated IPR protection mechanism between police and enterprises and rapid acceptance channel for reporting.

SPC strengthened the consciousness for judicial reform in IPR trial and further optimized the IP trial system by introducing a number of measures to push the reform and improvement relating to IP trial system and working mechanism. The pilot work of unifying the trial of IP civil, administrative and criminal cases under the IP tribunals (three types of IPR cases under one tribunal) was steadily carried out. By the end of December 2010, 5 higher people’s courts, 49 intermediate people’s courts, and 42 primary people’s courts had carried out such pilots. In the meantime, innovation in IP trial system was constantly advanced by SPC. In April, 2010, SPC signed cooperation memorandum on IP judicial protection with China Association for Science and Technology and established special expert tank for science and technology consulting accordingly. 11 academicians of the Chinese Academy of Sciences and Chinese Academy of Engineering were engaged as the consulting experts of science and technology for SPC, including Zhong Nanshan and Yuan Longpin. This represented a higher stage of improving settlement mechanism for IP disputes and promoting the IP judicial protection.

In 2010, SPC continued to improve the jurisdiction over IPR cases and further optimized the trial resource layout. In January, 2010, SPC issued *Circular on Adjusting Jurisdiction Standards on First-instance IPR Civil Cases by Local People’s Courts* and *Circular on Publishing Jurisdiction Standards on First-instance IPR Civil Cases by Basic-level People’s Court*, which unified and specified the standards on grade jurisdiction over IPR civil case by people’s courts nationwide. To meet the actual trial needs, SPC moderately increased the number of basic-level people’s courts with jurisdiction over general IPR cases and encouraged intermediate and basic-level people’s courts to conduct cross-regional centralized jurisdiction. Also, SPC tentatively designated some local people’s courts to exercise jurisdiction over some patent cases, which further optimized IPR trial layout by people’s courts nationwide. By the end of December, 2010, with the assignment of SPC, the number of intermediate courts with jurisdiction over cases relating to patent, new varieties of plants, layout designs of integrated circuits, and well-known trademarks verification had reached 76, 44, 46, and 41 respectively, and the number of basic-level courts with jurisdiction over general IPR civil cases had reached 101. On June 18, 2010, SPC gave the official reply for the approval of experimental trial of disputes involving patents for utility model and design by Kunshan People’s Court of Jiangsu province.

SPP actively promoted the linkages between administrative and criminal enforcement and strengthened the supervision on the transfer of cases suspected of infringing IPR by administrative enforcement authorities. In particular, SPP promoted the establishment of the “network linking and information sharing” mechanism among regions with favorable conditions. By now, the mechanism was established in the whole region of Shanghai and Yunnan (whole regions), partial region of Beijing, Jiangsu, Guangdong, Zhejiang, Hubei, Shandong, Henan, Sichuan, Jilin. This effective mechanism facilitated the supervision

by procuratorate agencies on the transfer of suspected IPR infringement cases by administrative enforcement authorities. In January, SPP submitted the *Advice on Linking Administrative and Criminal Enforcements and Implementing Tasks Relating to Judicial Reform* to the Legislative Office of the State Council after thorough study and assessment, which positively facilitated the establishment of reform measures involving linkage between administrative and criminal enforcements by Legislative Office.

## IPR SPECIAL CAMPAIGNS FOR SHANGHAI WORLD EXPO AND THE GUANGZHOU ASIAN GAMES

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In 2010, the IPR-related agencies actively organized IPR protection work for the Shanghai World Expo and the Guangzhou Asian Games, provided a powerful guarantee for the successful holding of the World Expo and the Asian Games, and through these chances, greatly increased the public awareness of IPR protection.

SIPO, jointly MPS, GAC, SAIC, NCAC, SPP, China Council for the Promotion of International Trade (CCPIT), State Council Information Office (SCIO), issued the *Circular on Organizing IPR Special Campaigns for the 2010 World Expo*, gripping on three key emphases in work: strengthening supervision and improving management, focusing on coordination and enforcing the law strictly, increasing publicity and creating atmosphere, so as to carry out a unified deployment of the special work of IPR protection for the World Expo, and to provide a more effective guidance to and coordination with the local administrations. In the beginning of the year, SIPO formulated and issued an action plan for the special campaign. In June, SIPO organized and launched a special research on IPR protection for the World Expo. In August, SIPO launched the in-process supervision and inspection on the special campaign, which had made a significant achievement. In December, the Review and Award Ceremony was convened, with a total of 281 units and 518 individuals honored with the title of “Excellent-Performance Unit or Individual”, concluding the Special Campaign satisfactorily. In September, SIPO, jointly with the International Communication Office of the Central Committee of the Communist Party of China (CCCPC), MPS, GAC, SAIC, NCAC, General Administration of Sports (GAS), and SPP, formulated and published the *Circular on Strengthening IPR Protection Work for the 2010 Guangzhou Asian Games*, so as to guide and improve IPR protection and relevant publicity work of local government departments for the Guangzhou Asian Games.

Under the guidance of the *Circular on Organizing IPR Special Campaigns for the 2010 World Expo* and the *Circular on Strengthening IPR Protection Work for the 2010 Guangzhou Asian Games*, all localities and departments strongly intensified IPR protection for the World Expo and the Asian Games in line with their respective administrative functions.

SIPO formulated and issued the *Working Plan on Patent Enforcement and Protection for 2010 Shanghai World Expo*, which emphasizes on major issues such as protection of the design of the Expo logo, the stability of patent right for the exhibition products and etc., so as to carry out a comprehensive deployment of the patent enforcement and protection work, and to enhance cracking down patent infringement and counterfeit activity. All local IP offices, in accordance with the *Plan*, formulated their own plans on the IP protection of the World Expo, meanwhile actively implement and deeply launch patent enforcement and protection work across the country.

SAIC strengthened the protection of the Expo logo and the Asian Games logo. SAIC registered 3,107 marks, special marks and trademarks related to the Expo logo in various classes, investigated and dealt with 1,132 cases for infringement of the exclusive right of the Expo logo, and examined and approved 2,539 registration applications for trademarks of the Asian Games logo, which contributed to the successful holding of the Shanghai World Expo and Guangzhou Asian Games. The Trademark Office of

SAIC was awarded the honorary title of "Excellent Performance Unit of the Shanghai World Expo" by the CCCPC and the State Council.

NCAC made great efforts in the special work for IP protection on the World Expo and the Asian Games. NCAC adopted urgent enforcement measures for the copyright infringement cases of Expo-related works during the World Expo. Shanghai Copyright Bureau, jointly with other related municipal departments, co-founded the IPR Service Centre for Expo Exhibitors, so as to provide a green channel for the exhibitors to register, and to protect the legitimate right of Expo-related works according to the law. In the special campaign of cracking down pirated audio and video products, mainly focusing on Shanghai, Jiangsu, Zhejiang, Beijing, and Guangzhou, the local copyright law-enforcing departments altogether prohibited 2,933 illegal stalls, confiscated 4,940,000 pirated audio and video products, and investigated some 370 cases of audio-video pirating, handled Beijing Dongfang Xinganjue Audio-Video Publishing House, Xueyuan Audio-Video Publishing House, Jilin Audio-Video Publishing House, and other companies according to the law. The copyright protection work for the Guangzhou Asian Games learned the successful experiences from the Shanghai Expo, and established the Pearl River Delta joint-action mechanism, which provided an effective guarantee for the successful holding of the Asian Games.

To strengthen the customs' IPR protection for the World Expo, the GAC examined and approved 58 IPR recordings at the custom related to the World Expo successively in five batches. Shanghai Customs established the World Expo IPR Work Leading Group to attach great importance on the protection. During the period of the World Expo, the customs throughout the country investigated and detained 15,397 batches of infringement cargoes, tracked down around 94,000,000 pieces of infringement goods and with a total value of 184,000,000 yuan.

From the overall objective of constructing a safe Expo and maintaining image of the country, MPS deployed all the public security departments in the IPR special campaign for Shanghai World Expo. With positive actions and strong implementation, the local public security departments promptly cracked down the case of fake Expo tickets and franchised products produced and sold by Song Qingmin and etc., and other major Expo-related IPR cases. Statistically, during the Shanghai World Expo, the localities altogether cracked down 1,589 cases of IPR infringement, arrested 3,006 suspects, confiscated 12,600,000 pieces of all kinds of counterfeited and pirated commodities, involving a total value of 1.37 billion yuan, through which the MPS safeguarded the healthy market order and a good IPR protection environment for the successful, wonderful, and memorable Expo.

SPC gave a full play to judicial protection of IPRs and actively provided IPR judicial protection for the Shanghai World Expo and Guangzhou Asian Games. SPC carried out special investigation and research in Shanghai on the IPR judicial protection of the World Expo, guided related courts to handle the IPR cases appropriately. During the periods of the World Expo and the Asian Games, a large number of IPR cases were heard, which effectively cracked down the IPR infringement and criminal violation activities.

SPP gave a full play of procuratorial legal supervision, and safeguarded the successful holding of the World Expo. Out of the national procuratorate system, 90 advanced units or individuals were commended. Besides, SPP, jointly with SIPO, SAIC and other ministries, promulgated *the Circular on Strengthening IPR Protection Work for the 2010 Guangzhou Asian Games*, so as to strengthen the guidance for Guangdong to deal with IPR cases on the Asian Games, guaranteed the successful holding of the Asian Games.

## PUBLICITY

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The IP-related departments in China organized a great amount of publicity activities in 2010 with continuing improvement of IPR protection environment.

SIPO elaborately organized the "2010 National IP Publicity Week", established the Committee of Publicity Week composed of 25 ministries and commissions including the Central Publicity Department, jointly carried out the IP publicity activities with a theme on "Creation, Protection and Development" nationwide through launching startup ceremony and holding press conferences. A total of more than 500 outreach activities were organized all over the country with an attendance of tens of millions, through more than 280,000 reports by means of audio-video and Internet media, achieving favorable publicity result and feedback.

To organize and celebrate the 2<sup>nd</sup> anniversary of the implementation of the National IP Strategy, the 4<sup>th</sup> China Patent Week, the 12<sup>th</sup> China Patent Awards Ceremony, the promulgation of the *National Patent Development Strategy* (2011-2020), the National IP Protection Symposium of Foreign Invested Institutions, the Mayor Forum on IPR and City Development and other important activities, SIPO organized special publicity activities. SIPO held 9 press conferences, along with a total of more than 2,500 pieces of news broadcasting and tens of thousands of reports through network media all the year around, effectively attracting the public's attention toward intellectual property.

Focusing on trademark examination and combating piracy and counterfeiting, SAIC launched extensive publicity activities to enhance the influence. At a press conference held by the State Council Information Office (SCIO) on December 9<sup>th</sup>, the situations about how SAIC completely solved backlog in trademark examination and appraisal and the campaign in which national SAIC systems actively engaged in combating infringements and counterfeits were released and received favorable feedback home and abroad. CCTV News made reports on "applications for trademark registration in China ranks first in the world" on December 9<sup>th</sup>. *People's Daily* dedicated its first page to coverage of the remarkable achievements of the area of trademarks on December 10<sup>th</sup>.

During the National IP Publicity Week in 2010, SAIC published the *Annual Development Report on China's Trademark Strategy*, released the *Typical Cases of the Counterfeiting and Infringements of Registered Trademarks*, and issued the 4.26 special edition about trademark protection in *China Industry & Commerce News*.

SAIC hosted a half-year publicity and reporting program named "China Trademark Achievements" together with *China Daily*: printed "Special Edition of China Trademark Achievements" on *China Daily*; opened "Special Column of China Trademark Achievements" on *China Daily* Website; widely publicized the achievements of China in trademark; edited and published "Special Issue of Geographical Indications" on *China News, Two Sessions*; opened special column of "China Geographical Indications" on *Journal of Contemporary China*; offered guidance to *China Special Native Products* on printing "Special Edition of Geographical Indication Trademarks of Agricultural Products"; successfully held "National High School Students Competition on Trademark Knowledge and Writing Contest on Geographical Indications" twice; started shooting a special topic film "China Geographical Indications"; continued to guarantee the revision work and maintenance of content update of China Trademark Website, which had 2.45 billion hits throughout the year of 2010.

NCAC sponsored the initiation ceremony of video copyright protection activity titled "A Win-win Project of Using Genuine Products Joint by A Hundred Cities". NCAC also launched a series of programs on copyright protection—"Green Bookmark Campaign 2010—Say No To Piracy, Starts From Me"; NCAC and WIPO publicized the experience of Nantong Home Textile which has been honored by WIPO as "Outstanding Demonstration of Copyright", and conducted the selection and commendation of "WIPO Copyright Golden Award (China)"; held award ceremony of "the National Youth Reading Campaign on Copyright Protection and Copyright Protection Knowledge Contest" successively in Qingdao and Laixi City; established copyright helpdesk at 17<sup>th</sup> Beijing International Book Fair and 62<sup>nd</sup> Frankfurt Book Fair, edited and printed *Guide to China's Copyright* in Chinese and English version, held a special video display of "Overview of China's Copyright" in English; launched the Forum on the Centennial of Chinese

Copyright Legislation and 20<sup>th</sup> Anniversary of the Promulgation of Copyright Law of P. R. China with Renmin University of China and published *China and the World Copyright Collection*.

To collaborate with the National IP Publicity Week and the world IP day on April 26<sup>th</sup>, MOC called on all parts of the country to launch IPR protection publicity programs and destruction of infringed and pirated products in order to raise the public awareness of IPR protection.

MOA compiled and published *Agricultural Intellectual Property Rights*, accomplished *Course Book of Protection of New Varieties of Plants*, and promoted knowledge relating to agricultural intellectual property in universities. It also organized the provincial agricultural departments to distribute 100,000 letters to farmers and letters to seed producers and dealers to raise the farmers' awareness of variety rights.

During the National IP Publicity Week, SFA organized a series of publicity activities for intellectual property rights in forestry: launched initiation ceremony of database of new plant varieties in forestry; held award ceremony for the first 26 pilot units of forestry IPRs to expand the social influence of forestry IP protection.

During the National IPR Publicity Week, GAC organized various and targeted IPR publicity activities, including the promulgation of *China Customs IPR Protection White Paper in 2009*, selection and publication of the *Best Ten Practices in Handling IPR Cases by China Customs in 2009*, and organization of dialogues between enterprises and the GAC on IPR protection.

MPS, in conjunction with relevant departments, organized 377 publicity activities, printed and distributed 640,000 copies of publicity materials, and provided information to media and released 256 pieces of pre-warning information.

During the National IP Publicity Week, SPC closely combined the publicity and the judicial IP protection work, expanded the forms of publicity, innovated the content of publicity, and attracted great attention of the society. SPC successfully operated on two specialized websites as the publication platform of authoritative information about the achievements of judicial protection of IPR, namely the website on China IPR Judgments & Decisions ([ipr.chinacourt.org](http://ipr.chinacourt.org)) and the judicial IP protection sub-website of the official website of SPC ([www.court.gov.cn/zscq](http://www.court.gov.cn/zscq)). Paying great attention to the openness and transparency of the hearing of intellectual property cases, SPC published the first *Judicial Protection on Intellectual Property by Chinese Courts in 2009 (in both Chinese and English)*, the *Annual Report on IP Cases by the Supreme People's Court (2009)*, promulgated the annual report which summarized the 44 typical problems about the application of laws in the judgement documents of typical cases to the public, and released the introduction of ten most influential cases and 50 typical cases in judicial IP protection in China in 2009.

SPP cooperated with *Procuratorate Daily*, [www.jcrb.com](http://www.jcrb.com), and other media to introduce the IP protection and typical cases handled by procuratorate departments. The essays on *Procuratorate Daily* also publicized the implementation of *Outline of the National Intellectual Property Strategy* and the effectiveness of cracking down IP infringements by procuratorate departments. Since the beginning of the Special Campaign, *Procuratorate Daily* had launched special columns of "the special campaign against IP infringements and the production and sales of counterfeited and forged commodities within procuratorate departments", and made great efforts to publicize the achievements scored by the procuratorate departments in approval of arrest and prosecution of IPR criminal violation cases.

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## EDUCATION AND TRADING

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In 2010, IP education and training work was actively promoted with the IP professional training mechanism continuously improved.

SIPO formulated and promulgated the *12<sup>th</sup> Five-Year Plan for IP Talents*. Meetings and seminars on national IP training work were organized to summarize findings and exchange experiences.

*Administration Measures on the National IP Training Base* (trial version) was formulated. In 2010, 8 national IP training bases including Anhui, Shandong, Hubei, Shanghai, Guangdong, Jiangsu, Chongqing, Shanxi were approved to be established. The first seminar on the national IP training base was held in Changsha, Hunan province. SIPO constructed the national IP talent pool consisting of national IP experts, national IP one hundred high-level talent pool and provincial IP talent pool to plan the use and management of the talents, and established the National IPR Expert Consulting Committee. It selected one hundred high-level training candidates of Baiqianwan IP Talents Project to participate in the high-level talents domestic and foreign training sessions on law and management.

The national IP system strengthened planning, organization and coordination functions of IP talent training work and formed a favorable pattern with different ranks, levels and categories.

In 2010, SIPO organized 101 training sessions with a total of 38,000 participants. SIPO also organized 21 international training sessions, with an increase of 16%, accounting for more than 20% of the total. Four new branch platforms of the China IP distant education platform were added, bringing the total number to 14, up by 40%. In the meantime, foreign-related training and education work was further developed. SIPO organized 10 international training programs including the visit of Cardozo Law School delegation, and trained a total of 124 foreign examiners.

SAIC fully promoted the organization and implementation work of trademark strategy through training. The Second Workshop for Trademark Strategy and Protection of the Logo of Asian Games was held in Guangzhou, through which more than 200 officials from local agencies were trained, further enhanced the capability and level of the overall system to organize and implement the trademark strategy, and successfully supported the Guangzhou Asian Games.

NCAC organized two seminars on copyright-related topics for the media, a workshop on copyright-related work and two training sessions for copyright managers and agents to respectively provide targeted training towards the main media, deputy directors of local copyright bureaus from provincial capitals and central cities, copyright managers and agents nationwide. It also organized the 10<sup>th</sup> Beijing 2010 BIBF international copyright trade seminar under the theme of “copyright and trade under digital environment”, to promote the development of copyright trade under digital environment. The NCAC organized three workshops on copyright enforcement in Yunnan, Xinjiang, and Beijing and trained more than 450 primary copyright officers and policemen, which effectively improved local enforcement capabilities. MOC focused on the legal publicity and education, organized training session to the people who run culture-related Internet business to raise their awareness of IP protection. It formulated *Training Plan for National Culture Market Comprehensive Enforcement Team (2011-2015)* to achieve the goal of building up a team with strong political sense, professional business capability, strict discipline, upright behavior, and good image. It innovated the training forms, emphasized the education on enforcement discipline and professional ethnics to enhance the overall capability and level of IP protection in culture market. It integrated the local training resources to hold 9 workshops and 3 seminars on Internet culture market enforcement cases focusing on the training on IP protection work.

MOA organized 8 training sessions for examiners of geographical indications of agricultural products; 899 new examiners were registered. It organized 15 training sessions including IP Training Session of National Agricultural Biotechnology and Training Session for Agents of Plant Varieties, with about 950

participants. The training activities strongly demonstrated the agricultural businesses and entities to set up and improve the management system and organizational structure of agricultural IP, offered services for the specialized farmers' cooperatives and other various agricultural organizations to apply for overseas IP protection and develop global market.

SFA organized training sessions for forestry IP protection and management to train officials from 26 pilot forestry businesses and entities on issues like the implementation of the *Outline of the National Intellectual Property Strategy*, the current situation of forestry IP protection and management. It organized the IP protection and management symposium on camellia oleifera, and officials from forestry departments and academia of 14 provinces (districts, cities) and experts participated in the meeting.

SPC improved the capacity building of the judge team and enhanced the judicial capability of IP via various forms. It organized national court training session of IP trial practice, and trained more than 200 IP judges. It organized consecutively the National Courts Seminar on IPR Cases Judgment and Adjudication, the Seminar on the Application of Law in Trademark Right Authorization and Verification, and other judicial meetings, to explore frontier issues, exchange judicial experiences and promote mutual improvement. Some courts, especially those faced with high trial pressure, selected judges with science and engineer background to judge IP cases, expanding the judge team and strengthening the trial force.

SPP took all kinds of measures to enhance the training work towards local procurators. It organized two IP training sessions and meeting under the theme of "information share through network", on which domestic and foreign experts discussed issues including IP protection system and the social economic development, the criminal protection of IP and other topics.

## INTERNATIONAL COOPERATION

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In 2010, China's international cooperation in the IP field further expanded its coverage and improved its level, with more varied methods, more concrete contents, and greater strength, thus increasing China's international influence on IP protection.

SIPO gave a full play to its function of comprehensively coordinating foreign-related IP affairs by thoroughly participating in the discussion and negotiation of the development agenda of the World Intellectual Property Organization (WIPO), PCT reform and other topics. The SIPO has played a positive role in the discussion related to IPR issues in the China-US Strategic and Economic Dialogue, China-US JCCT, China-EU High-Level Economic and Trade Dialogue, bilateral free trade area negotiations, and other meetings.

In 2010, SAIC carried out a series of bilateral and multilateral exchanges and cooperation programs in the trademark field, handled 295 foreign-related documents, arranged to receive or participated in the receiving of 42 visiting groups, and dispatched 28 groups (35 persons) abroad. SAIC also dispatched participants to join multilateral meetings of the WIPO, WTO and APEC, and bilateral meetings or negotiations between China and Australia, Russia, Switzerland and other countries, strengthened exchange and cooperation with trademark offices of the United States, EU, the United Kingdom, Japan, North Korea, Thailand, and other countries and regions; signed *the Cooperation Memorandum Regarding Further Cooperation Between the SAIC and the WIPO* with the WIPO; organized the seminar regarding new issues in the trademark application process of China, the United States, Europe, and Japan; dispatched participants to join the visit on automation in America; further developed the cooperation under the Sino-EU Second Phase IP Cooperation Program (IPR2), attended the 1<sup>st</sup> EU-China Conference of Geographical Indications and the 6<sup>th</sup> EU-China IP Dialogue; participated in the 2<sup>nd</sup> China-Japan IP Working Group Meeting, the China-Japan Counterfeit Technology Working Group Meeting, and the China-Japan Consultation Meeting; discussed issues on trademark systems, regimes and protection at the seminar co-organized with French National Industrial Property Office (INPI) and UK IP Office; actively dispatched groups or individuals to join other departments' delegations to visit Germany, Romania, Japan,

Czech and other EU countries. The SAIC was awarded the title of *Envoy of Friendship of Spanish Brands in China* at the Shanghai Expo.

In 2010, NCAC actively participated in the negotiation of important copyright issues and formulating of new copyright treaties of WIPO, enhanced the cooperation with international organizations, and organized the 4<sup>th</sup> International Copyright Forum and the Award Ceremony of Global Original Music Concert and Copyright Golden Medal (China) together with WIPO in Beijing; organized the global Press Conference and the release of research reports on achievements of WIPO's demonstration project in Nantong, and actively promoted WIPO's establishment of demonstration spots of excellent copyright protection in China. The NCAC paid great emphasis on the existing bilateral copyright cooperation relations between China and US, UK, EU, Japan and Korea, the expansion of other bilateral relations, and constructing a favorable IP environment. The NCAC also signed the *Copyright Strategic Cooperation Agreement* with UK IP Office, and the *Strategic Cooperation Memorandum* with Japan's Agency for Cultural Affairs (ministerial level), actively participated in the preparation of China-Australia and China-Costa Rica free trade area negotiations, and the IPR working group meeting under the China-Russia Economic and Trade Committee.

MOA provided good secretariat service to the East Asia Forum of Protection of New Varieties of Plants, organized international seminars regarding plant varieties protection and farmer rights, studied methods to balance the interests of resource providers, breeders, producers and businessmen; participated actively in the activities of international organizations like UPOV; strengthened China-Netherland, China-Germany, and China-Japan bilateral cooperation on the protection of new varieties, implemented "China-EU Cooperation Program on Geographical Indications of Agricultural Products", and attended meetings under the China-EU and China-Switzerland IPR working groups.

SFA carefully carried out the *International Convention for the Protection of New Varieties of Plants*, actively dispatched participants to council meeting of *International Convention for the Protection of New Varieties of Plants*, and undertook 3 compiling tasks of international test guideline; promoted the work of the East Asia Forum on the Protection of New Varieties of Plants, joined the organization of the Seminar of East Asia Protection of New Varieties of Plants and Farmers' Rights; participated in the 3<sup>rd</sup> Meeting of the East Asia Forum on the Protection of New Varieties of Plants in South Korea, strengthened the cooperation on protection of new varieties of plants between China and the Netherlands, and preformed the cooperation projects seriously.

GAC continued to carry out the enforcement activities under the agreed cooperation framework between customs of the United States, Japan, Korea and other countries. In November, 2010, GAC signed the *Memorandum on Strengthening IPR Boarder Enforcement Cooperation* with the General Administration of Russian Customs, and signed the *Renewal Document of the China-EU Customs IPR Cooperation Action Plan* with the EU Customs in December 2010.

MPS actively expanded the cooperation scope, and deepened international cooperation on enforcement; held talks with the visiting minister of US Ministry of Justice, and exchanged effectively with each other on the deepening of IP protection cooperation; signed the letter of intent on cooperation with the Immigration and Customs Enforcement of U.S. Department of Homeland Security, further promoted the Sino-US enforcement cooperation; investigated and handled fake cigarette cases with relevant countries, carrying out joint enforcement action named "STORM" to suppress the production of counterfeited drugs; actively participated in enforcement communication activities abroad like international enforcement conferences, and expressed the firm stance and attitude of the Chinese government and public security offices on cracking down the IP infringement activities for many times on influential international forums.

SPC and SPP attached great importance to the international cooperation and exchange so as to improve the international influence of the Chinese IPR judicial protection. SPC and SPP actively dispatched

participants to join the China-EU IP Working Group, the IPR2 Cooperation Program, the IPR working groups between China and Switzerland, Brazil and Japan, the China-US JCCT and other meetings. SPC organized judges to visit the United States and European countries, while SPP dispatched delegations to pay visits to relevant European countries so as to exchange views on IPR judicial protection.

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