



China IPR News for U.S. Industry May 9, 2008



Disclaimer: The China IPR News for U.S. Industry is a summary of publicly available information prepared by the United States Government and is intended for informational purposes only. The views and opinions expressed herein do not state or reflect those of the United States Government. The China IPR News for U.S. Industry may contain material subject to copyright; further reproduction and distribution shall be conducted in accordance with applicable copyright rules.

China IPR News for U.S. Industry is compiled by USPTO-China staff with support of the U.S. Mission IPR Task Force, the International Trade Administration, Office of China Economic Area and other colleagues in Washington, DC and in industry.

Subscription: If you would like to be added or deleted from the distribution list, or have questions, comments, or requests, please send to: Chinaiprnews@mail.doc.gov. Kindly indicate in the subject line: "China IPR News for U.S. Industry". Past issues are available at Export.gov.

PATENTS

1. Chinese Patients Call for Compulsory Licensing of Popular Hepatitis B and HIV Drug: Lamivudine is a medicine used to treat Hepatitis B and HIV. GlaxoSmithKline owns the patent for this drug, and markets it in China. During the second half of 2007, Lamivudine was in short supply; its high price reportedly placed a burden on patients. The State Intellectual Property Office's web site reported that patients have been calling for compulsory licensing of Lamivudine so that domestic companies can manufacture the medicine and lower the price. (Chinese Source: http://www.sipo.gov.cn/sipo2008/miji/2008/200805/t20080505_395667.html, May 6, 2008.)

2. China's "Biochips" Patent Applications

Increase: Zheng Guoan, the Secretary General of the Ministry of Science and Technology, recently announced that China had increased the number of patent applications concerning biochips. (Note: According to *Wikipedia*, biochips are miniaturized laboratories that can perform thousands of simultaneous biochemical reactions, enabling researchers to quickly screen large numbers of biological analytes for a wide range of purposes, from disease diagnosis to detection of bioterrorism agents.) Since 2000, China has applied for over 400 Chinese patents and 100 foreign patents on biochips. During the same timeframe, nearly 400 kinds of biochips and related products were created, involving genes, proteins, cells, and tissues. (Chinese Source: *China IP News*, April 25, 2008, Page 1.)

PLANT-VARIETY PROTECTION (PVP)

3. Plant-Variety Protection in China's Courts: In a joint conference with the Office for Protection of New Varieties of Plants under the Ministry of Agriculture, the Supreme People's Court IPR Presiding Judge Jiang Zhipei announced that, between 2002 and 2007, Chinese courts had adjudicated 684 PVP cases. The bulk of cases were tried in the provinces of Shandong and Sichuan, and other areas with large numbers of agricultural plantations and research centers. In 2007 alone, administrative authorities received 87 PVP cases, while the courts received 113 PVP cases. (English Source: *China IP News*, April 23, 2008, Page 12; Chinese Source: http://www.sipo.gov.cn/sipo2008/yw/2008/200804/t20080424_391525.html, April 15, 2008.)

4. Over One-Third of Chinese Plant Varieties Rights Granted in 2007: In 2007, the Ministry of Agriculture received 816 applications for protection of new varieties of plants, of which 518 varieties rights were granted, accounting for 36.6% of all plant varieties rights ever granted in China. Also in 2007, the State Forestry Administration granted 78 new

registrations for varieties rights, including 45 submissions from foreign applicants, bringing the total number of forestry plant varieties rights to 199. (Chinese Source: *China IP News*, April 18, 2008, page 3.)

TRADEMARKS

5. SAIC Prosecutes 50,138 Trademark Violations in 2007: In 2007, the State Administration for Industry and Commerce (SAIC), responsible for administrative trademark enforcement, investigated and prosecuted 50,138 cases of trademark violations, of which 10,320 cases involved foreign rights holders, a 7.9% increase over the previous year in cases involving foreign rights holders. Fines of RMB 418 million were imposed. 229 administrative cases, involving 228 suspected offenders, were transferred to judicial authorities for prosecution, or approximately 0.46% of all administrative cases transferred for criminal prosecution, down from 0.61% in 2006. (Chinese Source: *China IP News*, April 18, 2008 page 3.)

COPYRIGHTS

6. Slight Improvement in 2007 Judicial Copyright Enforcement: In 2007, Chinese copyright authorities banned 13,170 illegal businesses, uncovered 1,224 illegal operations, initiated 9,816 administrative cases, and transferred 268 cases to judicial authorities, a 2.7% transfer rate, compared to 2.2% in 2006. (Chinese Source: *China IP News*, April 18, 2008, page 3.)

ENFORCEMENT

7. China Customs Intercepts Infringing Goods Worth RMB 430 Million in 2007: On April 28, the General Administration of Customs (GAC) issued its 2007 White Paper on intellectual property protection. In 2007, the GAC initiated 8,498 IPR actions, detaining 7,456 shipments of IP-infringing goods, and uncovering over 330 million IPR-infringing items worth over RMB 430 million (approximately USD\$ 62 million); 99.8% were goods destined for export. Trademark-infringing items accounted for 99% of the seized items, approximately 320 million items. Seizures protected IP rights holders from 34 countries and regions, including the United States, the United Kingdom, and Japan. As of December 31, 2007, 9,325 intellectual property registrations had been recorded with the GAC. GAC Vice Commissioner Gong Zheng indicated that China still faced mounting challenges on IPR protection, and that awareness of IPR protection among import and export companies remained too low. During 2008, he stated that the GAC would continue to strengthen enforcement, especially IPR "independently developed" by Chinese companies as well as

Olympic-related IPR. (Chinese Source: *China IP News*, April 30, 2008, Page 1.)

8. China Continues Expansion of Specialized IPR Intermediate Courts: China continued expanding its network of specialized IPR intermediate-level courts. In 2007, 69 patent courts, 38 new-plant-varieties tribunals, and 43 courts governing integrated-circuit-layout design were established. Additionally, 40 primary courts were designated to handle civil IPR cases, in an effort to better allocate resources to protect IP rights. (Chinese Source: *China IP News*, April 18, 2008, page 3.)

9. QBPC Again Honors China Customs for Efficient Administrative IPR Enforcement: On May 5, the Quality Brands Protection Committee (QBPC) recognized the General Administration of Customs (GAC) as the most efficient IPR administrative enforcement authority in China. This is the fourth time that China Customs has received this honor. The QBPC is an association comprised of a wide range of foreign-invested firms fighting IPR infringement in China. (Chinese Source: *China IP Protection Website*, http://news.ipr.gov.cn/ipr/news/info/Article.jsp?a_no=203984&col_no=1016&dir=200805, May 6, 2008.)

10. Zhejiang High Court Addresses IPR Protection: For the first time, on April 21, the Zhejiang High Court invited foreign journalists to visit the Court. High-Court Director Qi Qi described Zhejiang's IPR protection from 2003 to 2007, during which Zhejiang courts received more than 5,600 IPR cases, of which approximately 10% were criminal matters. Reportedly, foreign rights holders won 95% of their IPR cases. Over the five-year period, the courts issued 9 preliminary injunctions, 89 pre-trial orders to preserve evidence, and 131 pre-trial orders to preserve assets. (Chinese Source: http://www.sipo.gov.cn/sipo2008/mjji/2008/200804/t20080424_391689.html, April 25, 2008.)

GENERAL IPR NEWS

11. Shanghai to Hold 6th International IP Forum on November 2008: The Shanghai Intellectual Property Administration will hold its Sixth International Intellectual Property Forum on November 6, 2008. The main topics of the forum will be IPR trading and servicing, and the role of government in IPR trading and servicing. The program will discuss licensing and transfer of IPR, financing and marketing of IPR, and evaluating and servicing IPR. (Chinese Source: <http://www.sipa.gov.cn/zscq/node1/node11/userobjec11ai6091.html>, May 5, 2008.)

EVENTS

China IPR Webinar Series

Tuesday, May 27, 2008, 1pm – 2:00pm EST

USTR Reports on Annual Review of Intellectual Property Rights in China: Special 301 Report of 2008. To register for the May program, please send your contact information to ChinaIPR@mail.doc.gov with re: "May China IPR Webinar". A registration confirmation and dial-in/log-in instructions will be sent to you approximately one week before the program. To learn more about the webinar series, please go to http://www.stopfakes.gov/events/china_webinar_series.asp
