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**AFD China Awarded Several Honors**

2016 is a year of harvest for AFD China.

We gladly share the news that we were once again given the title of Outstanding Patent Agency by the Beijing Patent Attorneys Association (BJPAA); we were also elected into the "Good List of Beijing Business Service Industry" by the Union of Beijing Business Services for reliable trademark service.

AFD China was also evaluated by the BJPAA according to the operation standards for patent firm/agency. After a few months' audit, on-the-spot inspection and expert reviews, the final result reveals that AFD China ranks in top tier. We are to be listed as an AAAA-level (first class) Patent Firm in the next years.

In addition, our clients have also reaped multiple awards in the 18th Chinese Patent Awards. Once again, the Golden Prize winning patent was drafted and prosecuted by AFD China.

We cannot win these honors without the support of our clients. Taking the opportunity please allow us to express our sincere gratitude to all of you for keeping constant company with AFD China.

**IP5 PPH Pilot Program Extended for Three Years as from January 6, 2017**

IP5 - the European Patent Office (EPO), the Japan Patent Office (JPO), the Korean Intellectual Property Office (KIPO), the State Intellectual Property Office (SIPO) and the United States Patent and Trademark Office (USPTO) - launched the PPH pilot program on January 6, 2014. Its duration was three years, and was scheduled to expire on January 5, 2017. Now it is extended for another three years to January 5, 2020.

[http://english.sipo.gov.cn/news/official/201701/t20170113\\_1307793.html](http://english.sipo.gov.cn/news/official/201701/t20170113_1307793.html)

**New Appeals Court to Handle Patent Disputes**

China is exploring the possibility of a new appeals court dedicated to IP cases, said Tao Kaiyuan, vice-president of the Supreme People's Court, at a recent IP seminar.

The court also plans to found a leadership group to advance judicial reforms in Beijing, Tianjin and Hebei, where the Beijing IP Court will play a crucial role. The move aims to promote coordinated innovation and economic transformation across the region, Tao said.

[http://english.sipo.gov.cn/news/iprspecial/201612/t20161228\\_1307359.html](http://english.sipo.gov.cn/news/iprspecial/201612/t20161228_1307359.html)

### **China Issues Plan to Develop Intellectual Property**

China's State Council has issued a plan to strengthen the protection and utilization of intellectual property rights during the 13th Five-Year Plan (2016-2020).

By 2020, China's invention patent ownership will increase from 6.3 per 10,000 people in 2015 to 12 in 10,000, and international applications will double to 60,000 from 30,000 in 2015, according to the plan.

In the meantime, intellectual property royalties earned abroad will rise from 4.44 billion U.S. dollars in 2015 to 10 billion U.S. dollars in 2020.

The plan puts forward seven major tasks for the development of intellectual property, such as improving the legal system, strengthening protection, improving quality and benefits, promoting industrial upgrading, and promoting international cooperation and exchanges.

It urges governments at all levels and relevant government agencies to attach importance to and promote implementation of the plan.

[http://english.sipo.gov.cn/news/iprspecial/201701/t20170116\\_1307852.html](http://english.sipo.gov.cn/news/iprspecial/201701/t20170116_1307852.html)

### **China to Start Intellectual Property Rights Pilot Reform**

The central government has issued a guideline on a one-year pilot reform of intellectual property rights protection.

The pilot reform will be carried out in regions that selected by departments including the State Intellectual Property Office, the State Administration for Industry and Commerce and the State Administration of Press, Publication, Radio, Film and Television and have been pioneers in intellectual property rights applications and enforcement, including patents, trademarks and copyrights, and have made innovation achievements or have national innovation demonstration zones.

The pilot reform will be extended further after a joint review by those departments under the State Council.

[http://english.sipo.gov.cn/news/iprspecial/201701/t20170113\\_1307798.html](http://english.sipo.gov.cn/news/iprspecial/201701/t20170113_1307798.html)

### **Over 13,400 People Arrested for IPR Crimes Since 2014**

According to the recent release of the Supreme People's Procuratorate (SPP), more than 13,400 people in China were arrested for crimes related to intellectual property rights' (IPR) violations from January 2014 to November 2016.

Over 24,400 people were prosecuted for violating IPR during the same period, the SPP told a press conference Monday.

According to the SPP, IPR violations in China mainly involve trademark infringements, which accounted over 90 percent of all IPR crimes nationwide in 2015.

[http://english.sipo.gov.cn/news/iprspecial/201701/t20170111\\_1307666.html](http://english.sipo.gov.cn/news/iprspecial/201701/t20170111_1307666.html)

**IQAir, IQ Air Trade Punches over Trademark in Beijing Court**

As one of the famous purifier producers in the world, the Switzerland-based IQAir Company, was a witness in the company's trademark lawsuit against a Beijing company in China.

Recently, Beijing IP Court, during the first hearing, rejected the decision made by the Trademark Review and Adjudication Board (TRAB) under the State Administration for Industry and Commerce (SAIC), and ordered TRAB to make a new decision on the trademark related to IQ Air. Before that, IQAir once requested TRAB to announce the invalidation of the IQ Air which was filed for registration by IQAir (Beijing) S&T Company in Class 11 products, but was rejected by TRAB.

IQAir was established in 1963. In 2001, IQAir expanded to Asia, and then entered into Chinese market. After more than fifty years' development, IQAir has become a famous brand in global purifier market. At present, IQAir has established a subsidiary in China to distribute the air purifier in that market.

IQAir, however, had not been registered as a trademark in China. In 2013, IQAir requested TRAB to announce the invalidation of NO.4887041 trademark registered by IQ Air Beijing.

The NO.4887041 trademark IQ Air was filed for registration in September 2005, and it was

approved in 2008, certified to be used in Class 11 air conditioning equipment products.

After examination, TRAB held that the evidences provided by IQAir failed to prove the IQAir's prior using in the same or similar products before IQ Air filed for registration by IQAir Beijing. So the scramble for registering of IQ Air does not constituted according to the Trademark Law of China. TRAB then maintained the registration of No.4887041 IQ Air trademark.

The disgruntled IQAir brought the case to Beijing IP Court on May 8, 2015, and requested the Court to revoke the decision made by TRAB.

The Court held that the trademark had already been used within the Chinese territory and was well received by the public. The evidences provided by IQAir could prove the IQAir trademark used on air purifier has become influential in China before IQ Air was registered. Having known the IQ Air trademark has already been used and was an influential trademark, IQAir Beijing still filed for registration of almost same trademark with prior trademark in similar products. Based on the above fact and reason, the Court revoked the decision made by TRAB and ordered TRAB to make a new decision.

<http://english.sipo.gov.cn/news/ChinaIPNews/2017/201701/P020170104316738798644.pdf>