

**Table of Contents**

China Issues the 13th Five-year Plan on the National IP Developments .....	1
Both IP Development Quantity and Quality Indexes in China Rose in 2016 .....	1
Chinese Enterprises Execute IP Prowess in Global Market .....	2
SIPO Targets Relief of Overburdened Patent Processing System .....	2
Lonely Planet Company Wins Trademark Case in China .....	3
A Quick Guide for Network-related IP Lawsuits in China .....	3

**China Issues the 13th Five-year Plan on the National IP Developments**

The period of 2016-2020 has been regarded as China's period of strategic opportunity in building an IP powerhouse.

The State Council issued 13th Five-year Plan on the National Intellectual Property Protection and Utilization issued, setting out set ten anticipatory quantity index, such as China's invention patent ownership will increase from 6.3 per 10,000 people in 2015 to 12, and the export volume of intellectual property royalties will increase to 10 billion USD, by the year of 2020.

The State Council also has issued its Market Supervision Plan in the 13th Five Year Period, which said that China will strengthen competition law enforcement and severely combat IPR infringement and manufacture and sales of counterfeit and shoddy commodities, so as to purify market environment.

In parallel, the National Copyright Administration of China (NCCA) issued its 13th Five-year Plan on Copyright, which sets out 26 key tasks covering four approaches, that is, to improve legal system, administrative system, service system and foreign affairs

system. Law revision, software legalization, training and publicity among others are taken as key tasks. The Copyright Plan also sets goals for works registration, computer software registration and copyright models construction.

<http://english.sipo.gov.cn/news/ChinaIPNews/2017/201701/P020170125311344929064.pdf>

<http://www.chinaipr.gov.cn/article/centralgovernment/201702/1901470.html>

<http://www.chinaipr.gov.cn/article/centralgovernment/201702/1901659.html>

**Both IP Development Quantity and Quality Indexes in China Rose in 2016**

SIPO released the 2016 statistics, according to which, 1) the number of domestic ownership of inventions in China exceeded 1 million, which made China the third country in the world with the number of domestic ownership of inventions exceeding 1 million, following the U.S. and Japan; 2) the percentage of domestic applications for inventions among all types of patent application remained at 40% in 2016, with the enterprises' applications for and authorization of inventions reaching over 60%; 3) the tendency of Chinese applicants applying for patents overseas is growing rapidly.

The State Administration for Industry & Commerce of China (SAIC) also released the

2016 statistics. According to the data, trademark applications totaled 3,691,000, ranking first worldwide for 15 consecutive years.

The top five provinces or cities in terms of trademark applications are Guangdong (689,434), Beijing (372,387), Zhejiang (327,572), Shanghai (257,616) and Jiangsu (209,900). The top five provinces (cities) in terms of valid domestic trademark registrations are Guangdong Province (2,043,798), Zhejiang Province (1,315,742), Beijing (893,743), Jiangsu Province (743,670) and Shanghai (697,251).

[http://english.sipo.gov.cn/news/official/201701/t20170124\\_1308100.html](http://english.sipo.gov.cn/news/official/201701/t20170124_1308100.html)  
<http://www.chinaipr.gov.cn/article/centralgovernment/201702/1901471.html>

### **Chinese Enterprises Execute IP Prowess in Global Market**

The national strategy of “going out” has exerted greater impacts and more Chinese enterprises have stepped on the world stage with the advantage of IP rights.

Relying on its patent advantage, Huawei Technologies Co., Ltd. recently launched 5G mobile technology cooperation with British Telecom and joined alliance with the United States International Data Group.

In 2016, Huawei has offered licenses on 769 patents to Apple and received a substantial number of patent licensing fees.

Latest data shows that by the end of 2016, Huawei obtained domestic and overseas patents of more than 55,000; the number of granted invention patent in 2016 was up to 2,690, with a year-on-year increase of 11.5%.

Not coincidentally, with patent advantages ZTE Corporation has won the "337 Investigation" for 8 times in 6 years.

Haier Group, a leading household electrical appliance enterprise, has opened the market in Europe and the United States with products of intellectual property of quality and quantity.  
<http://english.sipo.gov.cn/news/ChinaIPNews/2017/201702/P020170215316689192457.pdf>

### **SIPO Targets Relief of Overburdened Patent Processing System**

SIPO has taken steps in order to speed up patent examination in the wake of the rapidly increasing of patent filings in recent years.

The examination period for invention patent applications currently is roughly 22 months, while it stands at three months for utility and design patent applications.

The average time for patent re-examinations, the process in which an inventor can have a patent reexamined after his or her initial application was rejected, was 11.9 months in 2016, 1.8 months shorter than a year before. Patent invalidation requests were resolved in 5.1 months on average last year, 0.7 month faster than in the previous year.

[http://english.sipo.gov.cn/news/iprspecial/201702/t20170209\\_1308216.html](http://english.sipo.gov.cn/news/iprspecial/201702/t20170209_1308216.html)

### **Lonely Planet Company Wins Trademark Case in China**

A trademark battle between the U.S. Lonely Planet Company and the Chinese travel equipment company UPTOP Group was closed recently.

The No.6337705 trademark LONELY PLANET and its figure were filed for registration by UPTOP Group in 2007, certified to be used in Class 18 products including wallet, bag, travel bag and briefcase. In January 2010, the registration was preliminary approved.

Lonely Planet Company then filed an opposition to the Chinese Trademark Office (CTO). After examination, CTO rejected Lonely Planet Company's opposition and approved the registration of LONELY PLANET and its figure.

Lonely Planet Company filed an application to the Trademark Review and Adjudication Board (TRAB) for reexamination. In November 2013, TRAB affirmed CTO's decision. The Lonely Planet Company brought the case to the Beijing No.1 Intermediate People's Court.

The Court held that the LONELY PLANET trademark of Lonely Planet Company enjoys high reputation before the trademark in dispute filed for registration. The LONELY PLANET and its figure which certified to be used in travel products have a close relation

with travel. The trademark in dispute has done damage to the prior right of Lonely Planet Company. The LONELY PLANET and its figure does not harm to Lonely Planet Company when certified to be used on wallet, bag, travel bag and briefcase products.

So the Court revoked the decision made by TRAB and ordered TRAB to make new decision.

Lonely Planet Company further brought the case to Beijing Higher People's Court to revoke the registration of LONELY PLANET and its figure on wallet, bag, travel bag and briefcase.

After hearing, the Court held that LONELY PLANET and its figure certified to be used on wallet, bag, travel bag and briefcase have close relationship with travel, and such trademark and figure have done damage to the prior right of Lonely Planet Company, so the trademark in dispute should not be registered. So the Court ordered TRAB to make a new decision.

<http://english.sipo.gov.cn/news/ChinaIPNews/2017/201702/P020170208352769795871.pdf>

### **A Quick Guide for Network-related IP Lawsuits in China**

Chinese courts have witnessed an increasing number of network-related IP cases over the past years.

We wrote an article to provide the ground knowledge for the relevant proceedings.

Please see the supplement attached.