

**Table of Contents**

Patent Applications being Reviewed More Quickly..... 1  
 China to Further Shorten Patent Examination Periods ..... 1  
 China Cuts General Trademark Registration Period to Seven Months ..... 2  
 China to Establish National Demonstration Zones for IPR Protection..... 2  
 CNIPA Terminated the Service of Withholding and Collection of Stamp Tax..... 2  
 China Sees Rapid Growth of Patent Agencies ..... 3  
 SAMR Released the Annual Report of China on Anti-Monopoly Law Enforcement (2021) ..... 3  
 China Patent, Trademark Registration up Big in 2022..... 3  
 AFD China Recognized as a Recommended Firm in Trademark Prosecution and Trademark Contentious by Asia IP..... 4  
 Renewed Anti-Monopoly Law Aims to Innovative, Fair Environment for Doing Business..... 4  
 IP Boosts Bio-Economy Development in China..... 5  
 China Ranks First Globally in Domestic Patent Applications ..... 7

**Patent Applications being Reviewed More Quickly**

The time for reviewing high-value patent applications in China was shortened to 13.3 months by the end of last year, achieving the goal set by the central government ahead of schedule, an official for the country's intellectual property regulator said.

Wei Baozhi, head of the review management division of the patent office with the China National Intellectual Property Administration (CNIPA), announced the achievement at a news conference on Thursday.

By April last year, the time for reviewing high-valued patent applications was 14 months.

Wei said that the administration will also shorten the time for reviewing invention patent applications to continuously provide stronger support for building an innovative business environment.

Furthermore, individuals and departments have also been given easier access to public services involving trademarks, thanks to the administration's reforms.

"We've tried our best to put our services online to offer more convenience for applicants," said Li Chang, deputy head of the administration's trademark office.

Li added that services from 37 trademark-related businesses are accessible online.

"We've also provided services such as research, payment, consultation and delivery for applicants via our trademark website," he said. "On the online platform, application procedures have been simplified to reduce applicants' time and financial costs."

By the end of last month, the online application rate for trademark registration stood at 99.45 percent, and there were 279,000 total online applicants, he added.

<http://english.ipraction.gov.cn/article/ns/202206/378984.html>

**China to Further Shorten Patent Examination Periods**

China will further improve its patent examination efficiency to support a better innovation and business environment, the country's top intellectual property regulator said at a press conference.

By the end of 2021, the processing time for the examination of high-value patents had been cut to 13.3 months, "achieving the target ahead of schedule," said Wei Baozhi, a senior official with the CNIPA.

China's efficiency in processing patent applications has been at the forefront of the world. The country has planned to cut the average examination period for invention patents by a third within five years from 2018, with high-value ones by more than half.

Wei said the reduction target of the examination period for invention patents would be achieved by the end of this year.

<http://english.ipraction.gov.cn/article/ns/202206/379235.html>

### **China Cuts General Trademark Registration Period to Seven Months**

China has shortened the general trademark registration period to seven months, helping stimulate the innovation of market players, the country's top intellectual property regulator said on June 23.

The average periods for reviewing trademark objection and rejection have been cut to 11 months and 5.5 months, respectively, said Li Chang, deputy head of the Trademark Office of CNIPA, at a press conference.

China has continuously improved its online services for trademark applicants, with the adopted electronic trademark registration certificates and patent certificates further shortening their processing period, said Li.

By the end of May, the online application rate for trademark registration reached 99.45 percent, with the number of applicants totaling 279,000.

The trademark applicants have had access to online services, including trademark inquiry, payment, announcement, consultation, and registration certificate publicity, Li added.

<http://english.ipraction.gov.cn/article/ns/202206/378986.html>

### **China to Establish National Demonstration Zones for IPR Protection**

China will establish a batch of demonstration zones for intellectual property rights (IPR) protection by 2025, according to a notice recently published by the CNIPA.

According to the notice, China will select about 20 cities and regions nationwide to build them into IPR protection highlands by 2025.

The construction of the demonstration zones will focus on targets, including strengthening the overall deployment of IPR protection, improving the legislation around IPR protection, and strengthening the whole chain protection of IPR. It will also deepen the reform of the system and mechanism of IPR protection, promote international cooperation and IPR exchanges in the region, and safeguard national security in IPR, said the notice.

It also said the construction of the demonstration zones aims to improve the legal level of IPR protection and better the efficiency of public service and social satisfaction with IPR protection. It will enhance international cooperation and competition in IPR and promote the IPR system to play a bigger role in promoting scientific and technological innovation, industrial upgrading, and high-quality development.

<http://english.ipraction.gov.cn/article/ns/202206/378985.html>

### **CNIPA Terminated the Service of Withholding and Collection of Stamp Tax**

Pursuant to the Stamp Tax Law of the People's Republic of China, which came into effect on July 1, 2022, the CNIPA has terminated the service of withholding and collection of stamp tax since July 1, 2022.

According to Announcement No. 489 issued by the CNIPA on June 23, 2022, for stamp tax that has been overpaid, wrongly paid or repaid for less than three years, the relevant right holders may submit an observation (about fees) before December 1, 2022 (inclusive) for the refund of the stamp tax. After December 1, the CNIPA will handle the refund of the withheld stamp tax to the right holders in batches.

See the following link for the detailed text of the Announcement:

[https://www.cnipa.gov.cn/art/2022/6/24/art\\_74\\_176213.html](https://www.cnipa.gov.cn/art/2022/6/24/art_74_176213.html)

### **China Sees Rapid Growth of Patent Agencies**

China has witnessed increasing patent applications and business requirements for patent agencies, according to a report on patent agency industry development.

The report, compiled by the CNIPA, shows that there were 3,934 patent agencies nationwide, with 26,840 licensed patent agents by the end of 2021.

Since 2016, the annual growth rate of the number of patent agencies has exceeded 20 percent. The number of licensed patent agents increased by 15.7 percentage points from 2020 to 2021.

To expand the opening-up of the patent agencies, the CNIPA further standardized the conditions and procedures for foreign patent agencies to establish representative offices in China.

<http://english.ipraction.gov.cn/article/ns/202207/379846.html>

### **SAMR Released the Annual Report of China on Anti-Monopoly Law Enforcement (2021)**

Recently, the State Administration for Market Regulation (SAMR) released the Annual Report of China on Anti-Monopoly Law Enforcement (2021). According to the report, in 2021, SAMR resolutely implemented the strategies, decisions and deployments of the Party Central Committee and the State Council on strengthening anti-monopoly and preventing disorderly expansion, continuously improved the fair competition system, promoted in-depth implementation of fair competition policies, and comprehensively

enhanced the effectiveness of anti-monopoly supervision and enforcement, thus purifying the business environment while strengthening the supply of basic systems, stimulating market innovation and momentum for development while maintaining fair competition, improving people's satisfaction while protecting consumer rights and social public interests, and promoting the improvement of market competition environment of fairness, openness, transparency, efficiency and order.

<http://english.ipraction.gov.cn/article/ns/202206/378700.html>

### **China Patent, Trademark Registration up Big in 2022**

China has granted more than 390,000 patents over the past six months, demonstrating the market vitality of enterprises, Hu Wenhui, deputy head of the CNIPA, said at a news conference on Tuesday.

From January to June, the administration granted 393,000 invention patents, bringing the total number of valid patents to over 3.9 million, up 17.5 percent year-on-year.

By the end of June, some 325,000 Chinese enterprises owned valid invention patents, up 20.3 percent year-on-year, which showed those companies have been continuing to innovate in the market, he said.

In the first six months of this year, more than 3.67 million trademarks were registered at the administration, bringing the country's total valid trademarks over 40 million, up about 21 percent year-on-year.

<http://english.ipraction.gov.cn/article/ns/202207/379898.html>

## SUPPLEMENTARY ISSUE

### **AFD China Recognized as a Recommended Firm in Trademark Prosecution and Trademark Contentious by Asia IP**

The results of the annual survey and selection of the authoritative intellectual property magazine "Asia IP" were recently announced, and AFD China received a second-tier recommendation in the survey for its outstanding performance in trademark prosecution and trademark contentious.

The results have been published in the May issue of Asia IP.

AFD China has been participating in the annual survey of "Asia IP" for years. This year, we have made many and efforts to help clients achieve satisfactory results, especially in trademark litigation. Being able to rank in the second tier in both prosecution and contentious is an affirmation of our firm's consistency on providing solutions out of the perspective of our clients. We therefore would like to take this opportunity to thank all our clients who have been accompanying and encouraging us over the course, because without your continuous trust and support, AFD would not be where it is today.

As we say, no rules no standards. To better provide clients with timely and high-quality services, we continuously optimize our work process and improve our firm-level management norms as well as our post-level work procedures. Our periodic quality inspections and assessments ensure that problems are discovered and solved promptly, and high service quality is always consistent. We would also like to thank our colleagues for everyone's strict implementation of the rules and regulations. Their understanding of the company's norms helped us to gradually achieve the desirable results along the way.

We have always insisted on speaking with service quality and using clients' testimonies and satisfaction to guarantee our service blessing. We will also continue to focus on the latest developments and judicial dynamics in various fields of intellectual property, to escort the protection of our clients' intangible assets.

### **Renewed Anti-Monopoly Law Aims to Innovative, Fair Environment for Doing Business**

'Inspiring innovation' is added into legislative purposes. The 'safe harbor' rule applies to monopoly agreement. Harsher sanctions are in place for violations. These are some of the changes in the newly-revised anti-monopoly law recently passed by China's top legislature. Revised for the first time since its debut in 2008 and set to enter into force on August 1, 2022, the law strives to clarify some rules, uphold fair competition order and provide a fair, transparent and predictable environment for business operators.

The old structure with eight chapters remains intact while the number of articles grows from 57 to 70. There are many marked changes to the articles as well.

*'Inspiring innovation' added into a legislative purpose*

Upholding fair competition order in the market while inspiring innovation. While adding 'The state bolsters the fundamental position of competition policy' to Article 1 of the law in an effort to stress protection of competition, 'inspiring innovation' is added into legislative purposes.

"IP protection and protection of competition share a common objective in boosting development. Protection of free competition and proper use of IP are not mutually exclusive. If a right holder, however, abuses IP to exclude and restrict competition, the anti-monopoly law may come into

play. This reflects the balanced philosophy of the law in protecting IP, inspiring innovation while having no qualms about curbing improper use of IP," says Ning Lizhi, Dean of IP and Competition Law Institute, Wuhan University.

Anti-monopoly law is closely connected with relevant IP laws, which is attested in either the outgoing version or the incoming one. The measures to curb monopolistic acts and the sanctions to punish those acts - both under the anti-monopoly law – can be applied to monopolistic acts of abusing IP to exclude and restrict competition.

#### *Violations pay bigger price*

Some notable changes are made the legal liability chapter of the law with the cap of monetary fines for monopolistic acts significantly lifted and civil public interest litigation added which allows procuratorates in cities with subordinate districts to file such litigation at people's courts.

"Legal liability is an important part of any specialized law. Only legal liabilities identified may pose restraint and deterrent to violations by certain subjects," says Feng Xiaoqing, Professor, School of Civil, Commercial and Economic Laws, China University of Political Science and Law. He believes the new anti-monopoly law has brought in harsher sanctions against violations.

"Generally speaking, this revision means significantly to curbing those acts damaging the legitimate rights and interests of other business operators and consumers as well promoting fair, free competition and healthy development of socialist market economy," Feng adds.

#### *'Safe harbor' rule settles down*

The new law provides 'If a business operator can prove its relevant market share is under the standard prescribed by the State Council anti-monopoly enforcement agency while complying with other conditions prescribed by the State Council anti-monopoly enforcement agency, it shall not be enjoined.' During the revision of the law, the introduction and gradual refinement of the above 'safe harbor' rule also sparked attention.

"The installation of the 'safe harbor' rule in vertical monopoly provisions carries multiple values," Ning mentions the installation can liberate the enforcement agency from entangling in discovering every possible liability, significant or not, drastically save enforcement resources and free the agency from unnecessary, over-complex, expensive analysis of the illegality of vertical monopoly agreements while improving the transparency of anti-monopoly enforcement of the state and giving clear instructions for compliance-seeking business operators. In addition, the 'safe harbor' rule embodies the state's encouragement and care to the development of SMEs and policy considerations such as industry transformation and upgrade, optimization of climate for doing business. Of course, whether in the future the 'safe harbor' rule will achieve what it is supposed to relies on the formulation of implanting rules and experience gathering from enforcement practice.

In a bid to implement the revised anti-monopoly law, the Chinese State Administration for Market Regulation is currently drafting the Regulation on Enjoining Acts of Abuse of IP to Exclude and Restrict Competition and inviting comments from the public.

[http://english.cnipa.gov.cn/art/2022/7/6/art\\_2829\\_176402.html](http://english.cnipa.gov.cn/art/2022/7/6/art_2829_176402.html)

## **IP Boosts Bio-Economy Development in China**

Bio-economy is a new economy based on the development, progress and popularization of life science and biotechnologies, as well as an integral part of the national economy. Recent years

have seen the continuous expansion of the industrial scale of China's bio-economy, as well as China's major breakthroughs and innovations in basic biological research.

To keep pace with the accelerated evolution of global biotechnologies, and realize sci-tech self-reliance and self-improvement at higher levels, China released the Fourteenth Five-Year Plan for Bio-economy Development in May 2022, proposing to build national biotech strategic strengths and break the bottlenecks of bio-economy development in an accelerated manner, thus realizing sci-tech self-reliance and self-improvement. Notably, traditional Chinese medicine (TCM) is an important part of China's bio-economy, attested by the issuance of the Fourteenth Five-Year Plan for the Development of Traditional Chinese Medicine in March 2022 with an aim to further empower bio-economy development.

"The innovative development of bio-economy has been inseparable from institutional guarantee for intellectual property (IP) and opened up a new path for the improvement of the IP governance system," said Song Wei, Executive Director of Intellectual Property Research Institute, University of Science and Technology of China.

The Fourteenth Five-Year Plan for Bio-economy Development stresses strengthening of IP protection and grooming of valuable patents to promote the realization of IP value, as well as the transformation and application of sci-tech achievements.

*Strengthening independent innovation, breaking the bottlenecks of biotech development*

The development and progress of life science and biotechnologies is vital to bio-economy development. China is active in a wide range of innovation fields. China led the world in patent filings in biological breeding as of late September 2021. According to the Patent Landscape Report on COVID-19-Related Vaccines and Therapeutics released by the World Intellectual Property Organization (WIPO) in March 2022, China is currently the leading origin of patent filings related to COVID-19 vaccines and therapeutics. All these achievements demonstrate China's accelerated efforts in realizing sci-tech self-reliance and self-improvement in bio-economy at higher levels.

"Innovation is essential to the development and future of bio-economy," said Wang Xiang, Deputy Director General of Department of Innovation and High-Tech Development, National Development and Reform Commission. "Despite remarkable achievements have been achieving in bio-economy innovation, China is still facing a lot of challenges and yet to improve technologies in key fields and links." Therefore, the Fourteenth Five-Year Plan for Bio-economy Development puts innovation front and center in bio-economy development, stressing that we should speed up biotech innovation and industrialization, and break development bottlenecks in an accelerated manner, so as to realize self-reliance and self-improvement in biotechnologies.

Innovation is also the core principle of the Fourteenth Five-Year Plan for the Development of Traditional Chinese Medicine. The Plan clearly states that we should use modern technologies and methods, explore the essence of TCM, and develop new features and advantages in innovations, so as to promote the featured development of TCM.

*Promoting chain integration, expanding the industrial scale of bio-economy*

How to speed up basic research and industrialization of innovative technologies in that period to boost the high-level innovative development of biotechnologies? IP is indispensable.

To accelerate the industrialization of China's synthetic bio-manufacturing, the CNIPA officially approved the establishment of the National Intellectual Property Operation Center for Synthetic Biology in April 2022. Relying on the resources of Tianjin Institute of Industrial Biotechnology,

Chinese Academy of Sciences, the center has built the "Patent Pool for Synthetic Biology Enabling Technologies", the "Patent Pool for Underlying Technologies of Corynebacterium Glutamicum" and other patent pools, kept exploring high-level underlying patented technologies, helped improve the R&D capacity of China's synthetic biotechnologies, and set up platforms to duly release patent portfolios, so as to promote the marketization and industrialization of synthetic biotechnologies.

Patent navigation projects also play an important role in the industrialization of innovations in key fields. In recent years, with a focus on biomedicine and bio-health, biological breeding and other industrial fields, areas like Shanghai, Jiangsu and Heilongjiang have deployed patent navigation system, and analyzed regional biotech patent information to identify the competitive edge of local patented technologies, thereby providing guidance on the choice of technical paths and the transformation of the industrial structure. The output value of Shanghai's and Jiangsu's biomedical industry topped 700 billion yuan and 400 billion yuan in 2021 respectively, showing significant economic benefits generated by biological patents.

"The innovation chain of bio-economy is long-from basic research on synthetic biology and brain science, to technical improvement in genetic sequencing and biological detection, to product R&D and health services, all the links of the innovation chain are very important," said Song. Continuing to promote the integration of IP creation, application, protection, management and service with bio-economy innovation, and improving the mechanism for whole-chain management of bio-economy IP will provide stronger support for bio-economy development.

[http://english.cnipa.gov.cn/art/2022/6/22/art\\_2829\\_176141.html](http://english.cnipa.gov.cn/art/2022/6/22/art_2829_176141.html)

### **China Ranks First Globally in Domestic Patent Applications**

China's domestic patent applications and international Patent Cooperation Treaty applications have climbed to the top ranking in the world, said the National Development and Reform Commission (NDRC) on June 28, 2022.

China ranked 12th in the 2021 edition of the Global Innovation Index (GII) report, up from 34th in 2012, marking that China has entered the rankings of innovative countries in the world, Yang Yinkai, an official from the NDRC, told a press conference.

According to Yang, China has placed basic research and cutting-edge technology development in a prominent position during the past decade, having planned and built more than 40 major scientific and technological infrastructures. They include the Shanghai Synchrotron Radiation Facility, international science and technology innovation centers in Beijing, the Guangdong-Hong Kong-Macao Greater Bay Area, and a batch of comprehensive national science centers.

Over the past decade, the operational income of the high-tech industry reached 19.91 trillion yuan (\$\$\$) in 2021, doubling the size of the 9.95 trillion in 2012, said Yang.

The proportion of high-tech manufacturing in the added value of industrial enterprises above designated size increased from 9.4 percent in 2012 to 15.1 percent in 2021, while the number of industrial enterprises above the designated size increased from 24,600 in 2012 to 41,400 in 2021, the official added.

A total of 696,000 invention patents were granted in China throughout the year 2021, according to the CNIPA.

<http://english.ipraction.gov.cn/article/ns/202207/379320.html>