

The history of IP in China

In ancient China certain privileges were awarded to creations but this was very different to IP rights today

1898 - Emperor Guangxu of Qing dynasty introduced bylaws which were the first patent legislation in modern china

1800s

During the Qing dynasty the first piece of Chinese legislation concerning IP was created, it mirrored western laws



1900s

1979 - Patent Law Drafting Committee established

1980s - Our attorneys first visit China on business

1984 - First patent law in China enacted

1988 - The first Chinese patent infringement lawsuit was filed

2009 - 241,435 patent filings and 838,071 trade mark filings in China according to WIPO stats

2010 - China became the second largest economy in the world

2014 - 3 IP specialist courts were created in Beijing, Guangzhou and Shanghai



2009 - Our representative office opened in Guangzhou

The SIPO Guidelines were updated, meaning that previously unpatentable claims for a “computer program product” or “machine-readable medium” were eligible for patent protection in China

2017

China had the largest patent filing total of any country - greater than the combined filings that year of the US, Japan, South Korea and Europe

Chinese start ups received more funding for AI technologies than US start ups

17 specialised IP tribunals all set up in China

2018-2019

IP filings in China for 2018:
Patents - 1,460,244 trade marks - 8,118,135 according to WIPO stats

2019 marks 10 years in China for Haseltine Lake Kempner

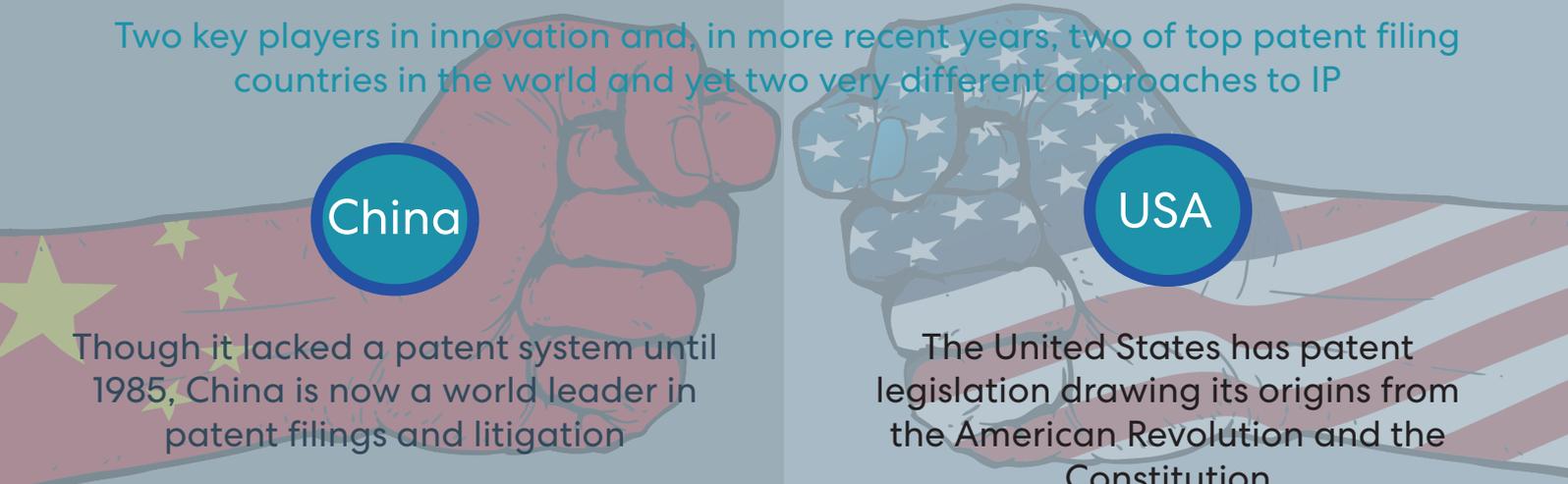


Stats and facts

- China have incentivised patent filings by subsidising patent filing fees and providing rewards for patent filings as well as tax credits which are tied to patent output
- Foreign companies appear in Chinese patent suits most often as patent enforcers not as accused infringers
- WIPO stats for patent filings in China (2018): resident - 1,393,815, non-resident - 148,187
- National Intellectual Property Administration of China Q1 conference: Major IP stats for mainland China in 2018
 - Inventions filed by domestic applicants (346,000) significantly outweighed foreign applications (86,000)
 - 8,043,000 trade mark applications were examined and the average time for trade mark examination was reduced to 6 months
 - Huawei obtained the most invention patents

China vs the USA

Two key players in innovation and, in more recent years, two of top patent filing countries in the world and yet two very different approaches to IP



China

Though it lacked a patent system until 1985, China is now a world leader in patent filings and litigation

In 2014 China filed almost 90% more patent litigation suits (9,648) than the USA

Injunctive relief for patent infringement is common in China - upwards of 85% of lawsuits where infringement is found result in an injunction being awarded

In China a patent suit will cost about \$250,000 on each side and complete in less than 10 years. US patent litigation can cost millions of dollars on each side and can last 5 or more years, not including any appeals

In July 2018 the trade dispute between China and the USA begins when President Trump puts tariffs on China for alleged unfair trade practices

Conservative projections say that China will surpass the United States as the number one economy in the world by 2030

USA

The United States has patent legislation drawing its origins from the American Revolution and the Constitution

In 2012 Apple had to pay Proview Technology \$60 million for ownership of the iPad trademark in China

2018 was the first year that the US did not rank among the top 10 countries in the Bloomberg Innovation Index