

# W&B IP Newsletter

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## Policies and Regulations

### **P.R.C. and United Arab Emirates establish comprehensive strategic partnership to strengthen cooperation in IPR protection**

On July 20, 2018, Chinese President Xi Jinping held talks with UAE Vice President and Prime Minister Mohammad and Abu Dhabi Crown Prince Mohammed in Abu Dhabi, issuing the Joint Statement of the People's Republic of China and the United Arab Emirates on Establishing a Comprehensive Strategic Partnership. The Joint Statement clarifies the exchanges and cooperation that will take place between the two countries in the fields of innovation, technology transfers, economic diversification, data and information exchange, customs, taxation and intellectual property protection. (Source: State Intellectual Property Office)

## Intellectual Property

### **The Evaluation Report on China's Development in Intellectual Property (hereinafter referred to as “the Report” ) was released in Beijing on June 12th, 2018. The Report’ s main content includes the following:**

- 1) The comprehensive IP development index for China was 218.3 in 2017, up 9% from 2016.
- 2) In terms of international comparison, China’ s total IP development index rose from 57.73 in 2015 to 61.91 in 2016, further narrowing the gap between China and the IP powers.
- 3) The China’ s IP environment index has reached 29th place. According to the report, the IP environment is still a major constraint on the development of IP in China.

(Source: P.R.C. 2017 Evaluation Report on Intellectual Property Development)

### **Annual Report on China’ s Digital Publishing Industry: 2017-2018 Total Revenue Exceeded 700 Billion Yuan**

On July 24, 2018, the 2017-2018 Annual Report on the Digital Publishing Industry was released. According to the report, as of the end of 2017 the overall revenue of China's digital publishing industry reached 707.193 billion yuan, among which Internet advertising, mobile publishing, online education, and online gaming constitute the top four sources of revenue.

P.R.C. 2017-2018 Annual Report on the Digital Publishing Industry (Unit: Billion RMB)		
Digital Publishing Industry	Internet Journals	2.01
	Mobile Publishing	179.63
	Online Education	101
	Online Games	88.49
	Digital newspapers	0.86
	Blog Type Applications	7.713
	Internet Animation	17.89
	Online Music	8.5
	E-books	5.4
	Internet Advertising	295.7

(Source: P.R.C.2017-2018 Annual Report on the Digital Publishing Industry)

## Patents

China is the country with the greatest number of patents published in the field of artificial intelligence (AI), slightly edging out the United States and Japan (Note: These three countries combined account for 74% of the world's total), according to the China AI Development Report 2018.

1) In 2017 the market value of China's AI industry reached 23.7 billion yuan, up 67% for the year. 1,011 companies are engaging in this industry, second only to the U.S. (2,028 companies). IBM, Microsoft and Samsung are the top three patent applicants globally. Research institutes/universities and private companies hold 52% and 48% of the top 30 spots, respectively, on the list of the most prolific AI patent owners.

2) China's strength lies in application; while it is still underdeveloped in core AI technologies such as hardware and algorithms.

(Source: China AI Development Report 2018)

### Patent Application Statistics for Primary Areas of Financial Technology

Financial technology affects financial infrastructure, products, services and placement methods that are driven by technology and communications. The numbers of patent applications in major technical fields are detailed in the table below.

Number of Patent Applications in Major Fields of Financial Technology					
Fields	Global Patent Applications	Chinese Patent Applications			China' s Share
		Inventions		Utility Models	
		Applications	Authorizations		
Facial Recognition	1215	597	29	99	60%
Big Data Analysis and Prediction Technology	3405	481	23	3	15%
Artificial Intelligence Technology	932	159	5	8	18%
Digital Currency Technology	873	184	4	2	22%

(Source: China Intellectual Property News)

## Legal Proceedings

### Statistics on the Number of Patent Infringement Lawsuits in China from 2012 to 2017

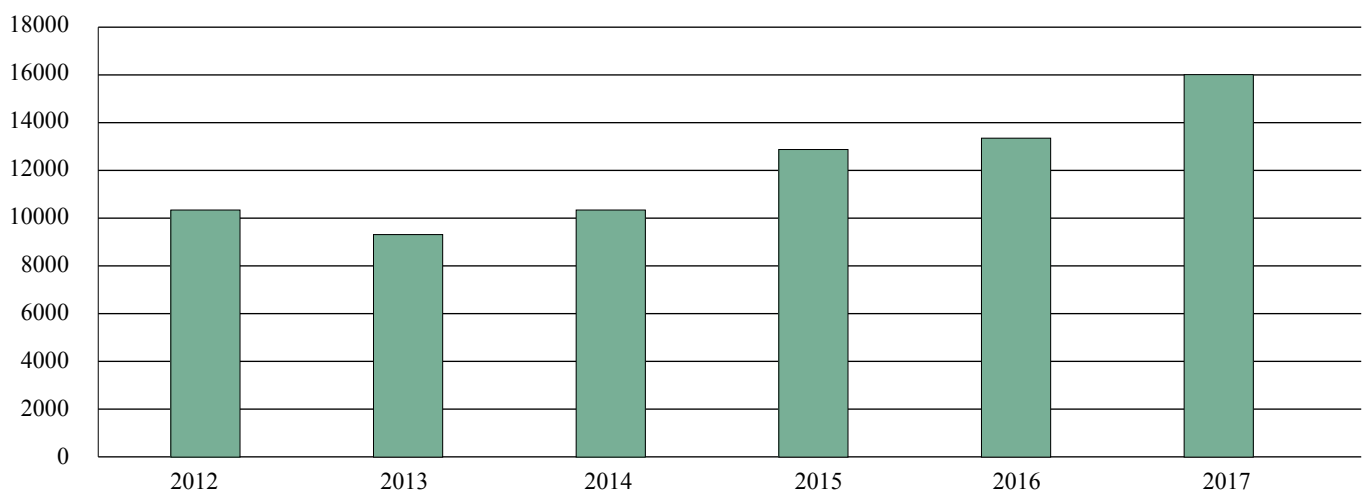
From 2012 to 2017, courts across the country have accepted 891, 000 new civil, administrative and criminal intellectual property cases.

Number of IP-related Legal Actions in the P.R.C. from 2012 to 2017									
Types and numbers of legal actions in National District Courts								Number of IP related cases in Supreme People's Court	Total (cases / year)
Year	Civil			Administration		Criminal			
	First instance	Second instance	Retrials	First instance	Second instance	First instance	Second instance		
2012	87,419	9,581	172	2,928	1,424	12,794		359	114,677
2013	88,583	11,957	75	2,886	1,490	9,212		594	114,797
2014	95,522	13,760	80	9,918	2,435	10,803	521	481	122,196
2015	109,386	15,114	115	9,839	2,245	10,809	782	759	148,267
2016	136,534	20,793	79	7,186	3,233	8,352	787	724	177,688
2017	/	/	/	/	/	/	/	/	213,500
Total 2012-2017 (cases)									891,000

(Source: State Intellectual Property Office: National Intellectual Property White Paper (2012-2016) 、 P.R.C. 2017 Evaluation Report on Intellectual Property Development)

Among these, 73,337 new patent infringement lawsuits were filed.

Number of patent infringement lawsuits in the P.R.C. from 2012 to 2017



(Source: State Intellectual Property Office: National Intellectual Property White Paper (2012-2016) 、 P.R.C. 2017 Evaluation Report on Intellectual Property Development)