

Monthly Newsletter

Issued by Chang Tsi & Partners | www.changtsi.com | Nov 2023

Chang Tsi & Partners Spearhead Inaugural China- Korea Trademark System Seminar: Enhancing IP Cooperation in Asia-Pacific

The inaugural "China-Korea Trademark System Seminar" took place on November 17, 2023, at Beijing's Hyatt Hotel. Organized by the China Trademark Association and Korea Trade-Investment Promotion Agency (KOTRA), and guided by the International Cooperation Department of the China National Intellectual Property Administration and the Republic of Korea's Embassy in China, the event addressed the growing significance of intellectual property (IP) protection amid the resurgence of global economies and the thriving China-Korea trade.

Mr. Fu MA, President of the China Trademark Association, emphasized the crucial need for fostering intellectual property business exchanges between both countries. Echoing this sentiment, the Republic of Korea's Embassy counselor highlighted the seminar's potential to enhance communication and jointly bolster the development of intellectual property business.



Chang Tsi & Partners, a co-organizer, sent a delegation featuring Mr. DongWuk SEO, senior counsel, Ms. April Seo, Business Development Manager, Mr. Ming ZHU, Lead of China Affairs, and Emma MA, Partner of Chang Tsi & Partner.





The seminar featured discussions on Chinese trademark review systems, Korean trademark protection strategies, and the coexistence system of Korean trademarks. Emma delivered a well-received talk on "The Chinese Trademark System under New Circumstances," focusing on trademark submission processes, suggestions for consistency in trademark examination and review, and brand protection for Korean enterprises in China.



With a strategic focus on the Asia-Pacific market, particularly Korea, the firm's participation in the seminar deepened interactions with Korean experts, fostering the enhancement and expansion of its services in Korea.



Chang Tsi & Partners Excel in The Legal 500's 2024 Asia-Pacific Law Firm Rankings, Earning Top Honors in Intellectual Property

Recently, the globally renowned legal rating agency The Legal 500 released its 2024 list of leading law firms in the Asia-Pacific region. Chang Tsi & Partners continued to lead in two major areas of intellectual property law, with our founding partner Spring Cang earning the highest honor, "Hall of Fame".

Chang Tsi & Partners were once again selected in the 2024 leading law firm list for "**Intellectual Property: Litigation**" and "**Intellectual Property: Non-Litigation**". This recognition is not only an acknowledgment of our professional capabilities but also a testament to our service quality. Founding Partner Spring Chang was listed in the "**Hall of Fame**", topping the LEGAL500 with her exceptional contribution and leadership in the legal field.

Additionally, Chang Tsi & Partners lawyer Sue Gui also received the "**Rising Star**" title, demonstrating the strong potential of our younger team members.

Besides Spring Chang and Sue Gui, the research team also listed six of our lawyers in the "**Recommended Lawyers**" list, recognizing Chang Tsi as having a "diligent and responsible intellectual property team".

"Being the best law firm in China, offering the finest legal services, and maximizing clients' legal rights" has always been the unwavering and steadfast pursuit of Chang Tsi. Over the years, the firm has developed distinctive service features and core competitive strengths, dedicated to providing personalized, multi-level, and one-stop legal services to our clients.



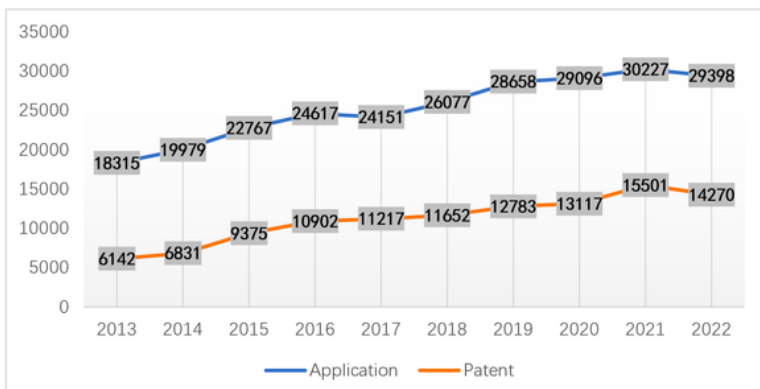
China Patent Office Released Patent Statistical Report between China and Belt and Road Countries (2013-2022)

David Liu

In 2013, Chairman Xi Jinping proposed the "Silk Road Economic Belt" and the "21st Century Maritime Silk Road", collectively known as the "Belt and Road Initiative". This year is 10th anniversary of the Belt and Road Initiative. From October 17 to 18, 2023, the third "Belt and Road" International Cooperation Summit Forum was held in Beijing, with the theme of "High-quality joint construction of the 'Belt and Road' and joint efforts to achieve common development and prosperity." China's economic and trade exchanges as well as cooperation on patent matters with the Belt and Road participating countries (hereinafter "Belt and Road" or "Belt and Road countries") have strengthened in the past decade.

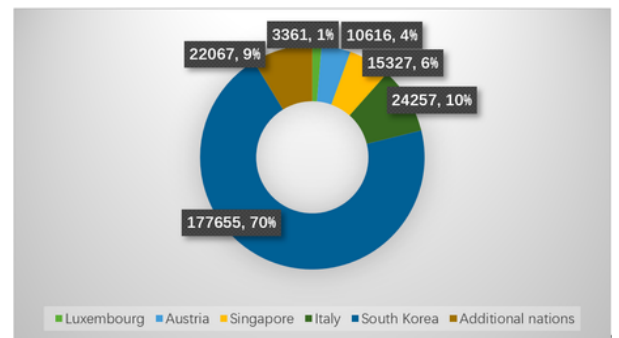
Recently, the China Patent Office released "Patent Statistical Report between China and 'Belt and Road' Countries (2013-2022)". Here we excerpt and explain some key contents as well as numbers in the Report.

The Report shows, from 2013 to 2022, the number of patent applications and granted patents filed by the Belt and Road countries in China has been on the rise overall. Among them, the average annual growth rate of Chinese applications filed by the Belt and Road countries is 5.4%; the average annual growth rate of Chinese patents owned by the Belt and Road countries is 9.8%. Figure 1 below shows the trend of the number of applications and patents in China filed by the Belt and Road countries.



The Report also says that in the past decade, the Belt and Road countries have filed a total of more than 253,000 patent applications in China, including 199,000+ invention patent applications, 40,000+ design patent applications, and 14,000+ utility model patent applications. The total number of granted patents (including invention patents, utility model patents and design patents) is approximately 112,000.

During the past 10 years, a total of 115 Belt and Road countries, the Report shows, have applied for patents in China. Among them, the top five countries in terms of application volume are, in order, South Korea, Italy, Singapore, Austria, and Luxembourg. The following Figure 2 illustrates the numbers and proportions of Chinese patent applications from the top five and other Belt and Road countries.



In 2022, there were in total 3,982 companies/individuals from the Belt and Road that submitted patent applications in China, an increase of 654 from 2013. 20 applicants from the Belt and Road with the largest number of patent applications in China have applied for a total of over 99,000 patents, accounting for 38.9% of the total applications from the Belt and Road. The volume of applications and ranking of the top 20 Belt and Road applicants are shown in the table below:

Ranking	Applicant	Country	Patent Application Volume
1	Samsung Electronics Co., Ltd.	South Korea	25892
2	Samsung Display Co., Ltd.	South Korea	11933
3	Hyundai Motor Company Ltd.	South Korea	11659
4	LG Electronics Inc.	South Korea	10098
5	LG Chem Ltd.	South Korea	7409
6	LG Display Co., Ltd.	South Korea	6046
7	SK Hynix Inc.	South Korea	5643
8	Samsung Electric Co., Ltd.	South Korea	4132
9	Samsung SDI Co., Ltd.	South Korea	2401
10	LG Innotek Co., Ltd.	South Korea	2386
11	Hyundai Mobis Co., Ltd.	South Korea	1506
12	LG New Energy Co., Ltd.	South Korea	1430
13	Saudi Arabian Oil Company	Saudi Arabia	1308
14	Toyo Fine Chemicals Co., Ltd.	South Korea	1048
15	Mando Corporation Ltd.	South Korea	1021
16	STMicroelectronics N.V.	Italy	1015
17	Infineon Technologies Austria AG	Austria	1009
18	POSCO Co., Ltd.	South Korea	898
19	Shin-Etsu Chemical Co., Ltd.	South Korea	892
20	Razer Technology (Singapore) Pte. Ltd.	Singapore	888

China's State Council Approves the Draft Implementation Rules of the Patent Law

Leslie Xu

During an executive meeting on November 3, 2023, the State Council, China's Cabinet, approved the Draft Implementation Rules of the Patent Law.

As an important supporting regulation to ensure the implementation of the Patent Law, the revision of the Implementing Rules of the Patent Law has been highly anticipated since the fourth amendment of the Patent Law was passed.

It has been three years since the China National Intellectual Property Administration (CNIPA) published the Proposals for Revisions to the Implementing Rules of the Patent Law (Draft for Comment) on November 27, 2020.

With the approval of the Draft Implementation Rules at the State Council executive meeting, the formal version of the Implementation Rules of the Patent Law is expected to be officially released soon.

The current Patent Law of China was implemented in 1985 and has undergone four amendments in 1992, 2000, 2008, and 2020, respectively. **The highlights of the fourth amendment of the Patent Law include the introduction of partial designs, design patent term extension, adoption of the patent linkage system, patent term extension for pharmaceutical patents, the introduction of punitive damages, higher cap of statutory damages, introduction of patent open license system, etc.**

According to the Director of the Department of Laws and Regulations of the CNIPA, the amendment of the Implementation Rules of the Patent Law has three characteristics.

Firstly, it implements the government's decisions and deployments on strengthening the protection of IPRs and further enhances China's level of patent creation, utilization, protection, management, and services.

Secondly, it refines and improves the systems following the amended Patent Law to maintain the consistency and stability of the patent system. Thirdly, it aligns with the relevant international treaties that China has joined to fulfill its obligations and further integrate into international rules.

Specifically, the amendments primarily involve five aspects: **the refinement of the patent application system, the improvement of the patent examination system, the strengthening of administrative protection, the enhancement of public services, and the addition of special provisions for international applications for designs.**

The approval of the amended Implementation Rules of the Patent Law is one of the recent measures taken by China to **accelerate the construction of an IP powerhouse.**

According to the CNIPA, further measures, such as the revision of the Trademark Law and the implementation rules of the Copyright Law, will be accelerated to improve the intellectual property system continuously.

We will closely monitor the formal release of the Implementation Rules of the Patent Law and other legal updates



Leslie Xu

Counsel | Attorney at Law

Dr. Leslie Xu has been focusing on intellectual property (IP) related practice and research since 2013. His practice areas cover the overall strategy of IP prosecution and enforcement, trademark and copyright infringement litigation and non-litigation dispute resolution, IP administrative protection, IP due diligence, IP licensing, online IP protection, domain name dispute resolution, anti-unfair competition, antitrust, etc.

Chang Tsi Won the Final Victory in a Series of Litigations After Seven Years

K is an American company in the automotive spray gun industry, and its "DEVILBISS" brand spray guns are well-known in China. Because of the high reputation of DEVILBISS products, many competitors in China free-ride its famous brand to make illegal profits. Therefore, K entrusted Chang Tsi & Partners (hereinafter referred to "Chang Tsi") to protect its intellectual property rights in China.

In 2016, Chang Tsi represented K in filing a civil lawsuit against a Chinese company X for trademark infringement. The Guangzhou City Baiyun District Court ruled that X should stop infringement and compensate CNY 1 million to K. X did not agree with the judgment and started a series of countermeasures, including filing civil appeal, applying for cancellation of "DEVILBISS" trademark registration and filing administrative litigations. At the end of October 2023, the Guangdong High Court issued a civil retrial judgment, ruling that X shall stop infringement and pay damages of CNY 1 million to K. After seven years, the series of cases have a final result, and Chang Tsi has successfully protected K's trademark rights.

This series of cases is like a long novel, with constant shifts in attack and defense. During the long process, there were constant accidents and thrills, which particularly tested attorney's psychological quality and ability to withstand stress.

In December 2016, X applied for cancellation of DEVILBISS trademark. In August 2017, the Trademark Office made a decision favorable to K, but what is surprising is that in November 2018, the Trademark Review and Adjudication Board decided to cancel the "DEVILBISS" trademark.

In order to fight back, Chang Tsi represented K to file administrative litigation to request the court to dismiss the decision in January 2019. As K is an American company, the entrusted materials shall be legalized and notarized before they can be used in China, and the legalization and notarization took months to complete.

Although the case-filing department in court had approved K's application for extension of material-submission period, X raised opposition in open session. To K's surprise, Beijing IP Court dismissed K's claims directly. After that, Chang Tsi represented K to file appeal to Beijing High Court. Chang Tsi put all of the efforts in appeal and the court finally sent back the case to Beijing IP Court for rehearing. The administrative litigation finally entered the physical trial.

Looking back to the whole process, Chang Tsi experienced difficulties in trademark enforcement. Chang Tsi withstood the great pressures to fight with the infringer step by step. Finally, Chang Tsi obtained the final victory for K after 7 years. Although K had a long road to safeguard its trademark rights, and the infringer stubbornly resisted and fought hard, K won the final victory and its trademark rights were protected, which effectively supported its business interests in China



David Lee
Partner
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Patent Attorney

As Partner of Chang Tsi & Partners, David Lee focuses on anti-infringement actions and litigation for all types of intellectual property cases, such as trademark, patent, and copyright cases. In his twenty years of practice, David has worked as an in-house counsel in a large company and as a professional attorney in Chinese law firms. He has provided professional intellectual property services to Fortune 500 companies, including Tupperware, 3M, Kohler, ITW, Levi's, etc. David Lee is fluent in English and Chinese.