

# Protection and Development of Geographical Indication in China

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II. Protection and Development of GI in China



## I. An Overview of China's Intellectual Property Protection

Reform and opening up in 1978

Acceded to WTO in 2001

Joined WIPO in 1980

National Intellectual Property Strategy promulgated in 2008

Applications for patent/trademark,

Granted patents/trademarks

**PCT** applications

2

Madrid trademark applications 3



• **16500** Staff

• 12000 patent and trademark examiners

**CNIPA** 

2



## I. An Overview of China's Intellectual Property Protection

#### **Building An Innovative Country**

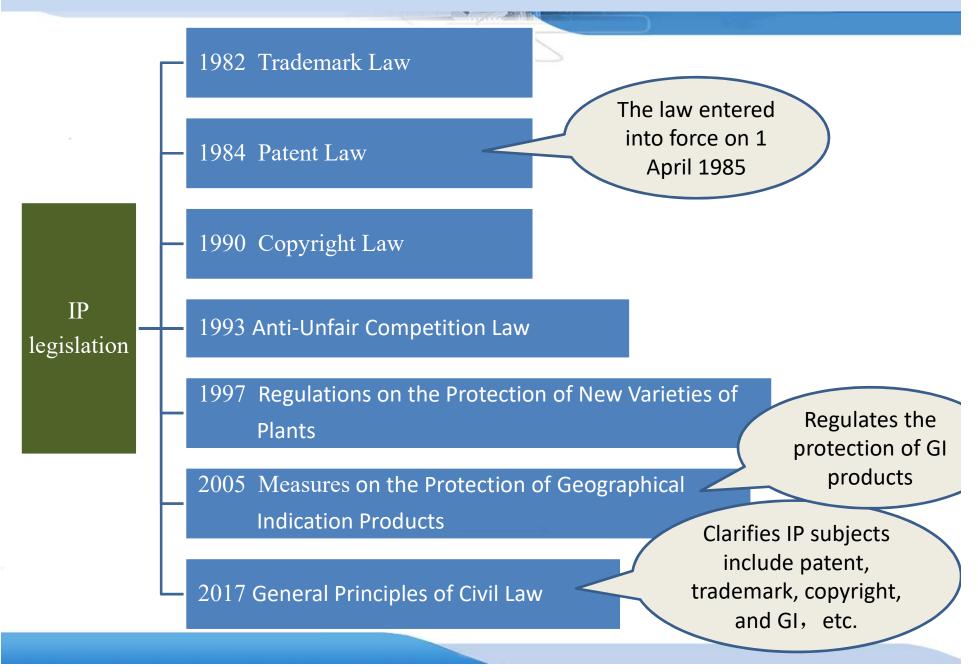
- ◆ National Intellectual Property Strategy was promulgated in 2008
- ◆ Innovation Driven Development Strategy was launched in 2012
- ◆ R&D investment exceeded 1760 billion RMB, 2.13% of China's GDP in 2017

**Global Innovation Index** 

17 th in 2018

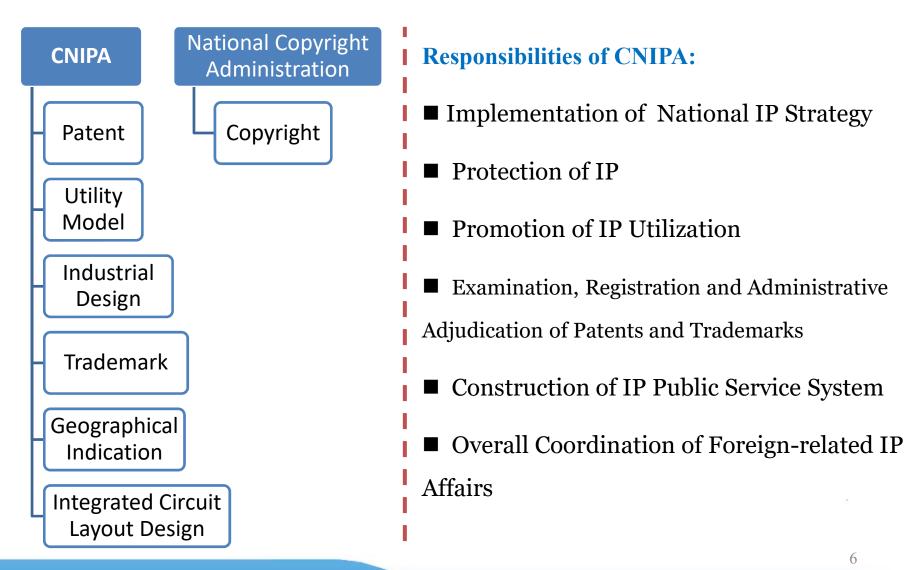
25th in 2017

## 1. Intellectual Property Legislation



## 2. Intellectual Property Administration

#### **Central Level:**





## 2. Intellectual Property Administration

#### **Local Level:**

Governments at the provincial and municipal levels have established IP administrative authorities which have the following responsibilities:

- ◆ Drafting local IP regulations and policies
- ◆ Administrative law enforcement of IP rights
- ◆ Providing IP services to the public
- ◆ Promoting public awareness of IP

## 3. Intellectual Property Protection

## Administrative Protection

Judicial Protection

Professional

Simple

Fast

Cost-effective

Any administration decision is subject to judicial remedy

Three IP courts were established in Beijing, Shanghai and Guangzhou in 2014

The Supreme
People's Court had
established an IP
tribunal at the end of
2018

A total number of 19 IP tribunal has been established nationwide

## 3. Intellectual Property Protection

Amending related IP laws, including an increase of the maximum statutory compensation and adoption of punitive damages for intentional infringement, up to 5 times damages

Strict Protection Forming a joint force for IP protection by coordinated use of

- IP examination and granting
- •administrative enforcement
- judicial protection
- arbitration and meditation
- •industry self-discipline
- personal credit rating, etc.

- 23 IPR protection centers
- 20 IPR fast-track rights protection centers, which provide "one-stop" services including fast-track examination, affirmation of rights and fast-track rights protection.

Rapid Protection Equal Protection

Comprehensive

**Protection** 

- domestic and foreign
- state-owned and private
- Large and small
- entities and individuals
   are all equally protected

## 4. Intellectual Property Utilization

- ◆ IP transactions are increasingly active
  - The number of patent transfer and licensing has increased from 54,000 in 2009 to 230,000 in 2018
  - The number of recorded trademark transfer and licensing has increased from 85,000 in 2009 to 452,000 in 2018
- ◆ Innovative utilization of intellectual property

  IP financing including IP pledge, IP insurance, equity investment

  Other practices such as IP auctions, IP trusteeship
  - In 2018, the amount of trademark, patent, and copyright pledge financing was respectively 33.9 billion RMB, 88.5 billion RMB, and 16.33 billion RMB
- ◆ Building a national public service platform for IP operation

## II. Protection and Development of Geographical Indication







## II. Protection and Development of Geographical Indication

- 1. China's GI Protection System
- 2. Utilization of GI in China
- 3. Prospect for Future Development of GI

## Protection of Geographical Indication under Trademark System

- ◆ Related Laws and regulations
  - Trademark Law
  - Implementing Regulations of the Trademark Law
  - Registration and Administration Measures for Certification and Collective
     Trademarks
- ◆ GI is registered as certification trademark or collective trademark

## Protection of Geographical Indication under Trademark System

#### As to Foreign Applicants

Where a foreigner or a foreign enterprise applies for the registration of a geographical indication as a collective trademark or certification trademark, the applicant should provide proof that the GI is legally protected in its original country.

## Protection of Geographical Indication under Trademark System

- ◆ The application and registration procedures for GI trademarks are the same as ordinary trademarks
  - Substantive examination,
  - Preliminary announcement
  - Registration after the opposition period
- ◆ The period of protection is 10 years and can be renewed upon expiration
- ◆ The holder of a GI trademark is responsible for the management and supervision of the use of this trademark.
- ◆The trademark owner has the exclusive right of the trademark and may request the infringer to stop using it, and claim for damages.

## Sui Generis GI Protection System

#### **Related Regulations and Rules**

- ◆ Measures for Protection of Geographical Indication Products (2005)
- ◆ Implementing Rules of the Measures on the Protection of Geographical Indication Products (2009)
- ◆ Measures for Protection of Geographical Indication Products of Foreign Countries (2016)

#### GI products include

- □ Planting and cultivation products from the region
- ☐ Products produced and processed in accordance with specific technique of production in the region, and its raw materials are all from the region or partially from other regions

## Sui Generis GI Protection System

#### **Application and Approval Procedures**

Receive application of acceptance Approval

Formality examination

F

◆ Applicants: producers, associations or enterprises accredited by the local government



## Sui Generis GI Protection system

Measures for Protection of Geographical Indication Products of Foreign Countries (amendment under way)

Foreign geographical indication products seeking protection in China should be applied by the original applicants whose geographical indication are protected by the country of origin or region of the products to CNIPA, with recommendation by the competent authority of the country of origin or region

## Sui Generis GI Protection System

- ◆ Free of charge
- No limit of protection period
- ◆ The local market supervision authorities are responsible for supervising and protecting the GI products

#### As to foreign GI products protected in China

- ◆ Applicants of foreign GI products protected in China must fulfill corresponding management responsibilities
- ◆ Applicants shall report to CNIPA before the end of March each year about the management measures of the year and the implementation of the previous year.

#### Statistics on GI

#### In 2018

- ◆ 961 GI trademarks registered
- ◆ 12 applications for protection of GI products accepted (including 2 foreign ones),
- ◆ 67 GI products approved

#### By End of May 2019

- ◆ An accumulated number of 5,041 GI trademarks registered (including 187 foreign ones)
- ◆ Totally 2,380 GI products approved since 2005 and,
- ♦ 8,295 enterprises approved for using special signs on GI products.

Improve the GI protection system, support development of GI products, and promote conversion of the advantages in the natural and human factors with local characteristics into real productivity."

———— The National Intellectual Property Strategy (2008)

"Give full play to the role of trademarks and geographical indications for agricultural products in the process of agricultural industrialization, and carry out a number of elite projects for poverty alleviation by using IP."

———— Thirteenth National Five-Year Plan for Intellectual

Property Protection and Utilization (2017)

- ◆ Strengthen the Top-level Design for Promoting the Use of GI
  - ☐ Formulation of a working plan and launching the project for promoting GI utilization
  - ☐ Preparations for setting up the sub-technical committee on protection of GI products under the National IP Management Standardization

    Technical Committee
- Give Full Play to the Role of GI in Alleviating Poverty and Realizing Prosperity
  - Support enterprises with geographical indication products
  - Provide guidance to SMEs on how to achieve business development via promotion of marketing and brand-building for their GI products
  - Publicize GI knowledge, cases and experiences at grassroots level

- ◆ Increase the Popularization, Exchanges and Promotion of GI
  - ☐ International Forum on Brand Building
  - ☐ Public election of "Top Ten Typical Cases of Trademark Enriching

Farmers and GI Used for Accurate Poverty Alleviation"

- □ "National Competition on GI trademark Photography"
- ◆ Promote Setting up of More Sales Channels for GI products
  - Encourage E-commerce companies to be engaged in promoting GI brands
    - Ali village Taobao
    - JD online "market for local special products"

In 2014, a special study on GI Trademarks and Regional Economic Development was conducted, with the following findings:

- ◆ The price of goods after the registration of GI trademark rose by an average of 50.11%.
- ◆ GI has obvious enrichment effect, and the sales of GI products are the main income of local farmers in some regions.
- ◆ GI is a driving force for development of related industries and regional economic growth. In some regions, GI products are the pillar industries for local development.

In 2017, the output value of China's GI products exceeded 1 trillion RMB, which strongly supported the characteristic industries and accurate poverty alleviation. It has become one of the important ways for many local governments to develop regional economic characteristics and implement poverty alleviation





## 3. Prospect for Future Development of GI

## **Further Improvement of GI System**

- ◆ Explore the feasibility of drafting administrative regulations for the protection of GI products
- ◆ Amend the Measures on Protection of GI Products
- ◆ Formulate examination guidelines and working rules for GI products
- ◆ Improve the standardization system for protection of GI products

## 3. Prospect for Future Development of GI

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### **Improve the Level of Protection**

- ◆ Strengthen the protection of some key GI products.
- ◆ Intensify the supervision and administration of GI products, so as to provide more strict protection of GI products.
- ◆ Carry out the construction of GI protection demonstration zones, and build a platform for electronic application of GI products.

## 3. Prospect for Future Development of GI

## **Enhance International Cooperation**

- ◆ Deepen cooperation with WIPO and WTO in the field of GI
- ◆ Carry out consultations on GI issues in the process of negotiating FTAs with relevant economies
- ◆ Carry out cooperation with relevant countries or regions on mutual recognition and mutual protection of GI products, as well as strengthen communication and cooperation with the Belt and Road countries on GI.



## Thank you for your attention!



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