



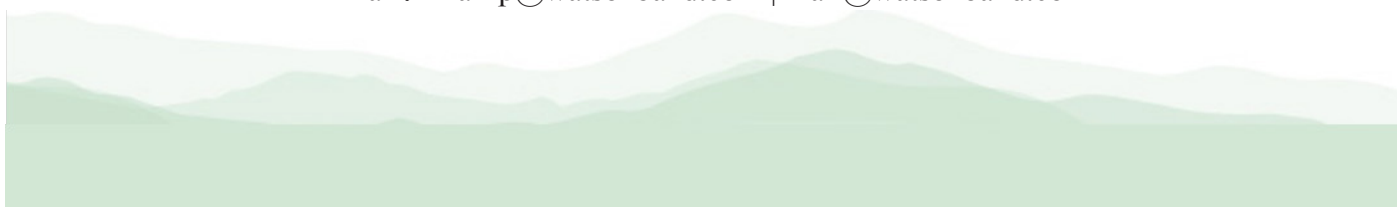
W & B IP Newsletter

Special Reports

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Special Report

China Intellectual Property Research Association Releases “2024 Investigation of Overseas Intellectual Property Disputes involving Chinese Enterprises”

Recently, the China Intellectual Property Research Association (CIPRA) released its report titled “2024 Investigation of Overseas Intellectual Property Disputes involving Chinese Enterprises.”

CIPRA, in collaboration with the National Guidance Center for Handling Overseas Intellectual Property Disputes, conducted a comprehensive survey and analysis of intellectual property disputes encountered by Chinese enterprises overseas during 2023. Key findings on overseas intellectual property disputes involving Chinese enterprises are as follows

In 2023, Chinese enterprises faced a total of 1,173 new intellectual property litigation cases in the United States, marking a 19.0% increase from 2022 and continuing an upward trend. Among these, 447 new patent litigation cases were filed, an increase of 56.1%; 757 new trademark litigation cases were filed, an increase of 5.4%; and 23 new trade secret litigation cases were filed, an increase of 27.8%. The new patent cases wherein involved 2,452 instances of Chinese enterprises as defendants, an increase of 167.4% compared to 2022. The new trademark cases involved 16,793 instances of Chinese enterprises as defendants, an increase of 98.8% compared to 2022. The 23 new trade secret cases involved 47 instances of Chinese enterprises as defendants, an increase of 27.0% compared to 2022.

Table 1-1: New and Concluded Intellectual Property Litigation Cases

Type	Total Cases	Newly Filed Cases	Concluded Cases
Patent	685	448	399
Trademark	1119	757	815
Trade Secrets	34	23	18
Total:	1762	1173	1193

Chinese enterprises involved in patent litigation in the U.S. are mainly from the manufacturing industry (36.6%) and the wholesale and retail industry (36.6%). Trademark litigation primarily involves the wholesale and retail industry (82.56%).

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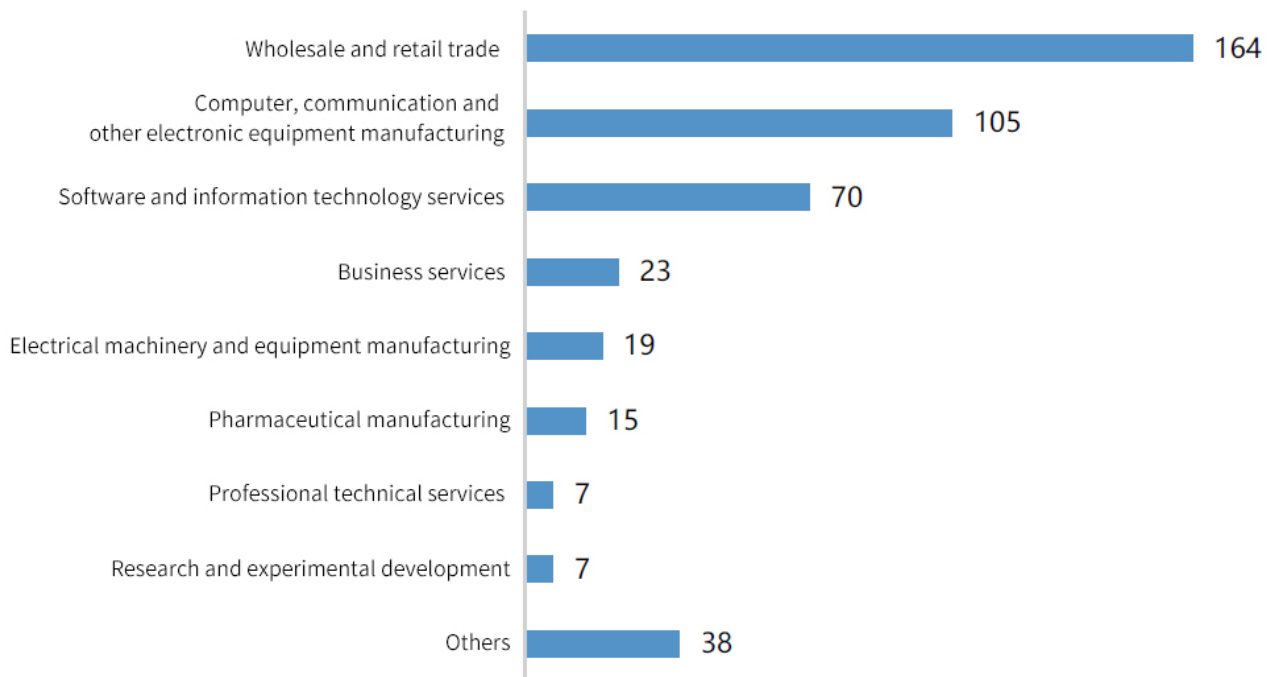


Figure 2-4: Industry Distribution of Chinese Enterprises as Defendants in Patent Litigation Cases

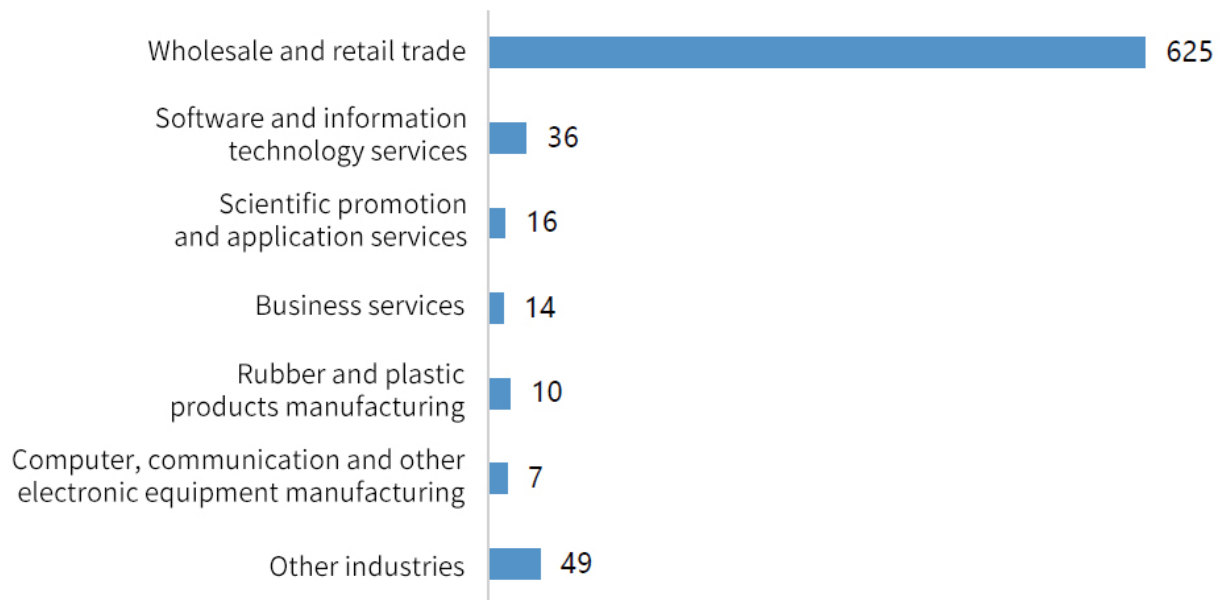


Figure 3-3: Industry Distribution of Trademark Litigation Cases

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The enterprises involved in litigation are mainly from provinces and cities such as Guangdong, Fujian, and Zhejiang, with Guangdong enterprises accounting for nearly 30% (29.1% in patent litigation and 36.5% in trademark litigation).

Table 2-1: Top 5 Regions of Chinese Enterprises as Defendants in Patent Litigation

Region	Number	Percentage
Guangdong	896	36.54%
Zhejiang	291	11.87%
Fujian	172	7.01%
Jiangsu	99	4.04%
Shandong	93	3.79%

Table 3: Top 5 Regions of Chinese Enterprises as Defendants in Trademark Litigation

Region	Number	Percentage
Guangdong	4883	29.08%
Fujian	2210	13.16%
Zhejiang	1708	10.17%
Henan	799	4.76%
Anhui	666	3.97%

According to the litigation outcomes, 65.7% of patent litigation cases were concluded through settlement and withdrawal; 66.1% of trademark litigation cases resulted in a default judgment against the defendant due to failure to appear in court. The average damages awarded in patent litigation were \$23.7172 million, while in trademark litigation, the average was \$1.1798 million.

Table 2-4: Main Types of Patent Litigation Conclusions

No.	Type of Conclusion	Number of Cases
1	Withdrawal: Likely Settlement	262
2	Claimant Win: Default Judgment	69
30,000	Claimant Win: Consent Judgment	18
4	Procedural: Interdistrict Transfer	10
5	Claimant Win: Trial	8
6	Procedural: Dismissal	7
7	Procedural: Consolidation	5

Table 3-2: Main Types of Trademark Litigation Conclusions

No.	Type of Conclusion	Number of Cases
1	Claimant Win: Default Judgment	539
2	Withdrawal: Likely Settlement	176
30,000	Claimant Win: Consent Judgment	67
4	Procedural: Dismissal	19
5	Claimant Win: Trial	5
6	Procedural: Consolidation	3
7	Procedural: Interdistrict Transfer	2

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In 2023, Chinese enterprises were involved in 20 "Section 337 Investigations" in the U.S., involving 98 instances of mainland Chinese enterprises, a decrease of 9 instances compared to 2022. 70% of the cases were initiated due to patent infringement. The enterprises involved were mainly concentrated in industries such as electronic devices. The investigated entities were mostly enterprises from Guangdong, Jiangsu, and Zhejiang provinces. In concluded investigations, Chinese enterprises received more favorable final rulings compared to the previous year.

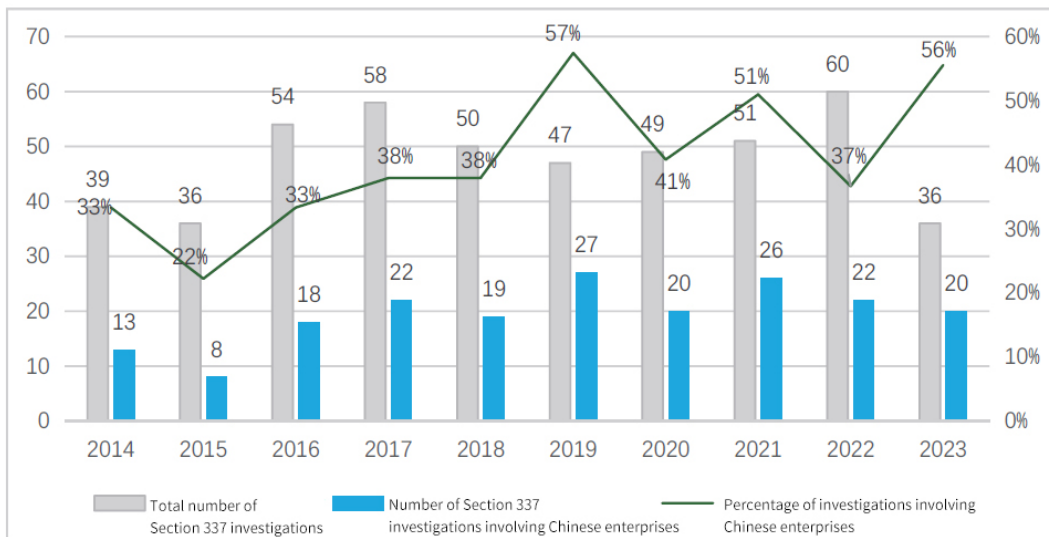


Figure 6-1: Annual Statistics of "Section 337 Investigations" (2014-2023)

In 2023, Chinese enterprises were involved in 1,092 cross-border e-commerce cases in the U.S. Chinese enterprises were defendants in 1,033 cases, accounting for 94.60%. There were 197 cross-border e-commerce patent litigation cases, with 158 new filings and 103 conclusions. Trademark litigation cases numbered 931, with 675 new filings and 687 conclusions. New cross-border e-commerce cases involved 17,894 instances of Chinese enterprises, of which 17,783 instances (99.38%) were as defendants.

Table 5-1 Number of New and Concluded Cross-border E-commerce Litigation Cases

Type	Total Cases	Newly Filed Cases	Concluded Cases
Patent	197	158	103
Trademark	931	675	687
Trade Secrets	5	30,000	30,000
Total:	1092	803	774

In 2023, Chinese enterprises faced 89 new patent and trademark litigation cases in other major countries and regions, with 141 cases concluded. New patent litigation cases increased by 47.9% to 71, while new trademark litigation cases decreased by 43.75% to 18 compared to 2022. The new patent and trademark litigation cases involved 165 instances of Chinese enterprises, an increase of 60.2% from 2022, with 77% of defendants being Chinese enterprises. In cases with damage awards, the average award in patent litigation was about 3.3 million RMB.

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Currently, China's foreign trade is growing rapidly, with an increasing proportion of foreign trade conducted by small and medium-sized enterprises. On the other hand, the report shows that Chinese enterprises still face a high incidence of intellectual property disputes in the U.S. Enterprises must familiarize themselves with overseas intellectual property rules, enhance their international intellectual property protection strategies and planning, and actively prevent and respond to risks and disputes.

(Source: China Intellectual Property Research Association)

WIPO China: GII Science and Technology Clusters 2024: Tokyo-Yokohama and Shenzhen-Hong Kong-Guangzhou Top the Ranking; Emerging Economies Make their Move

China and the United States (US) are home to the world's largest science and technology (S&T) clusters, with shifts among the top 100 showing especially fast growth of innovative activity in certain emerging economies, according to an early release from the 2024 edition of WIPO's Global Innovation Index (GII).

Each year, the GII ranks countries and economies around the world. In a pre-release ahead of a September 26, 2024 GII launch, the GII top-100 S&T Cluster ranking, GII 2024 S&T Clusters Chapter looks closer to the ground - using patent filing and scientific publishing data to identify local concentrations of world-leading science and technology activity.

Launched during IP Week @ SG 2024, a premier annual intellectual property-focused event hosted by the Intellectual Property Office of Singapore, the GII S&T Cluster ranking shows that among the top 10 clusters, seven are found in Asia and three in the US.

Tokyo-Yokohama (Japan) leads as the largest global S&T cluster, followed by Shenzhen-Hong Kong-Guangzhou (China and Hong Kong China). Beijing (China) moved up one rank from last year to take the third position. In the sixth place, San Jose-San Francisco, California, is the leading US cluster. China, for the second consecutive year, leads with the most clusters (26) in the top 100. The US follows closely behind with 20 clusters.

While there is little change among the top 10 S&T clusters, a different picture emerges when looking at the top 100. Clusters located in middle-income economies experienced the strongest S&T growth, with Chinese clusters seeing the steepest increases in S&T output, led by Hefei (+23%) and Zhengzhou (19%). Cairo (Egypt, with 11% S&T output growth) experienced the highest growth rate amongst other middle-income economy clusters, followed by Chennai (India, +8%) and Istanbul (Turkey, +8%).

Conversely, clusters in high-income economies generally grew at a slower pace than those located in middle-income economies, with 37 out of the 63 high-income clusters witnessing negative S&T output growth in 2023. Most North American and European clusters fell in the ranking.

(Source: WIPO)