

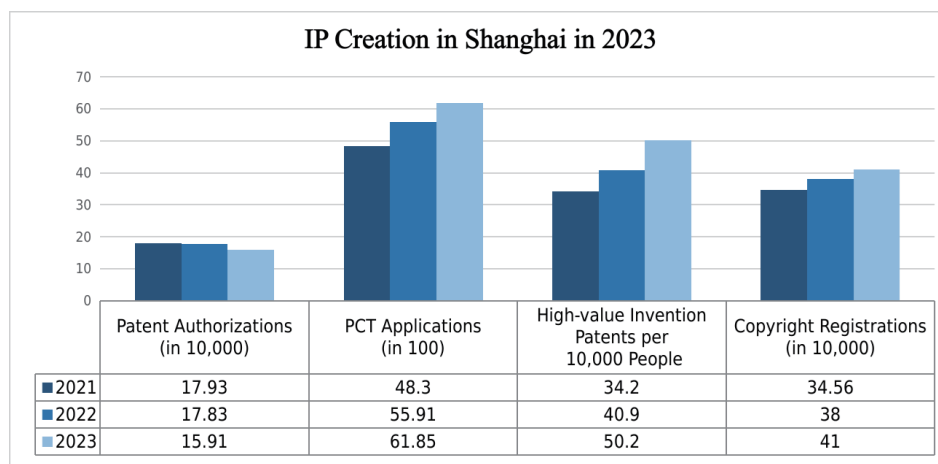


Intellectual Property Development in Shanghai in the Year 2023

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In 2023, Shanghai, when conducting its intellectual property work, adhered to the guidance of General Secretary Xi Jinping’s Thought on Socialism with Chinese Characteristics for a New Era, fully implemented the spirit of the 20th CPC National Congress and the Second Plenary Session of the 20th CPC Central Committee, and the spirit of General Secretary’s important speech during his visit to Shanghai. Under the strong leadership of the Municipal Committee and Government, the city actively implemented *the Outline for Building a Strong IP City of Shanghai (2021-2035) (the Outline)*, and *the 14th Five-Year Plan on Intellectual Property Protection and Utilization in Shanghai (the Plan)*, focused on deepening reform, innovation and optimizing institutional safeguards, and made solid progress in putting Shanghai at the international forefront of IP protection and building Shanghai into a global IP hub.

In 2023, patents granted in Shanghai reached 159,100, including 44,300 invention patents, up by 20.51% year on year. PCT international patent filings reached 6,185, up by 10.62% year on year. By the end of 2023, valid invention patents in Shanghai stood at 241,400, up by 19.53% year on year. There were 50.2 high-value invention patents per 10,000 people, up by 9.3 patents compared with the previous year. Valid registered trademarks in Shanghai reached 2,613,500, an increase of 7.66% year-on-year. Copyrights registered in Shanghai exceeded 410,000, up by 8% year-on-year. Shanghai obtained 155 authorizations for new varieties of agricultural plants and 28 authorizations for new varieties of forestry plants. Shanghai (together with Suzhou as one cluster) moved up to the fifth place in the Top 100 Science and Technology Clusters for 2023 in WIPO’s *Global Innovation Index 2023*.



I. Build an IP Powerhouse in an All-round Way

Press Ahead With Implementation of *the Outline and the Plan*. Shanghai Municipal Government and China National Intellectual Property Administration (CNIPA) jointly convened the “Conference on Promoting Shanghai’s High-level Reform and Opening up as an IP Powerhouse”. Shanghai Municipal Government conveyed the spirit of President Xi Jinping’s congratulatory letter to the 50th Anniversary of Cooperation between China and the World Intellectual Property Organization (WIPO) and the principal event of the IP Publicity Week. The 2023 working conference for Shanghai Intellectual Property Joint Committee was convened. The mid-term assessment for the implementation of *the Plan* was completed. Efforts were made to provide comprehensive IP public services across the whole city. Shanghai’s practice to strengthen trade secret protection were selected as the second-batch typical cases in implementing the national “Building a Country Strong on IPR” strategy. Xuhui, Songjiang, Jing’an and Yangpu districts were selected as the second-batch “National Pilot Demonstration Urban Areas for Building a Strong IP City of Shanghai”.

Improve IP institutional safeguards. Importance is given to Shanghai’s pilot IP work to accelerate Shanghai’s “Five Centers” building and Pudong’s pilot comprehensive reform. Shanghai IP Administration issued the *Guiding Opinions on Further Strengthening the IP Work of Small and Medium-sized Enterprises in Shanghai*. It also issued the *Interim Implementation Measures of Strengthening the IP Appraisal Work in Shanghai* in collaboration with Shanghai Public Security Bureau, and the *Implementation Opinions on Strengthening IP Protection in Pharmaceutical Procurement in Shanghai* in collaboration with Shanghai Healthcare Security Administration. Shanghai Agriculture and Rural Affairs Commission and Shanghai Commission of Economy and Informatization issued the *Implementation Opinions on Protecting the Intellectual Property Rights of the Seed Industry Through Cracking Down on Infringement of Fake and Shoddy Seeds and Creating a Good Environment to Revive the Seed Industry*. Municipal State-owned Assets Supervision and Administration Commission issued the *Implementation Opinions on Promoting Innovation of State-owned Enterprises in Shanghai*. Shanghai People’s Procuratorate issued the *Opinions on Comprehensively Strengthening the Procuratorate’s Services for Constructing Shanghai Into a Science and Technology Innovation Center*.

Deepen the Reform in IP fields. Shanghai IP Administration continues to implement the pilot project of processed-data IP and established a registration and management platform for it. Shanghai Copyright Administration and Shanghai People's Procuratorate issued the *Guidelines for Setting Technical Protection and Compliance Measures for Digital Copyrights of Enterprises*. CCPIT Shanghai guided the Shanghai International Economic and Trade Arbitration Commission to issue the world's first *Data Arbitration Rules*. The law enforcement team of Shanghai Municipal Administration of Culture and Tourism explored the establishment of "waiving punishment for the first violation" rule in software copyright cases. Shanghai Customs formulated the first operational guidelines for IP protection in the customs region.

II. Actively Serve Major National Strategies

Major national diplomatic tasks accomplished. Shanghai IP Administration organized the Shanghai delegation to visit Beijing and Geneva, Switzerland to participate in a series of commemoration events marking China-WIPO 50th Anniversary of cooperation, including creating an exhibition for the 50th Anniversary of cooperation and preparing the state gifts presented to WIPO.

Earnestly serve the major national strategies. The General Office of Shanghai Intellectual Property Joint Committee spearheaded the Hundred-Day IP Enforcement Campaign during the 6th CIIE. Shanghai High People's Court guided the Pudong Court to hold the "5th Pudong Forum on IP Judicial Protection in the Free Trade Zone". Pudong New Area issued a *White Paper on IP Development for Enterprises Listed on the Science and Technology Innovation Board*. National Copyright Innovation and Development Base (Shanghai Pudong) provides a cross-regional registration service for more than 500 works of nearly 30 rights holders from other provinces and cities.

Advance the integrated development of the Yangtze River Delta. Shanghai IP Administration and the IP offices in Jiangsu, Zhejiang and Anhui held a press conference on IP development in the Yangtze River Delta region and signed the *Memorandum of Cooperation on High-quality and Integrated Development of Patent Agency Industry in the Yangtze River Delta Region*, held the "First Intellectual Property Competition for College Students in the Yangtze River Delta Region", and

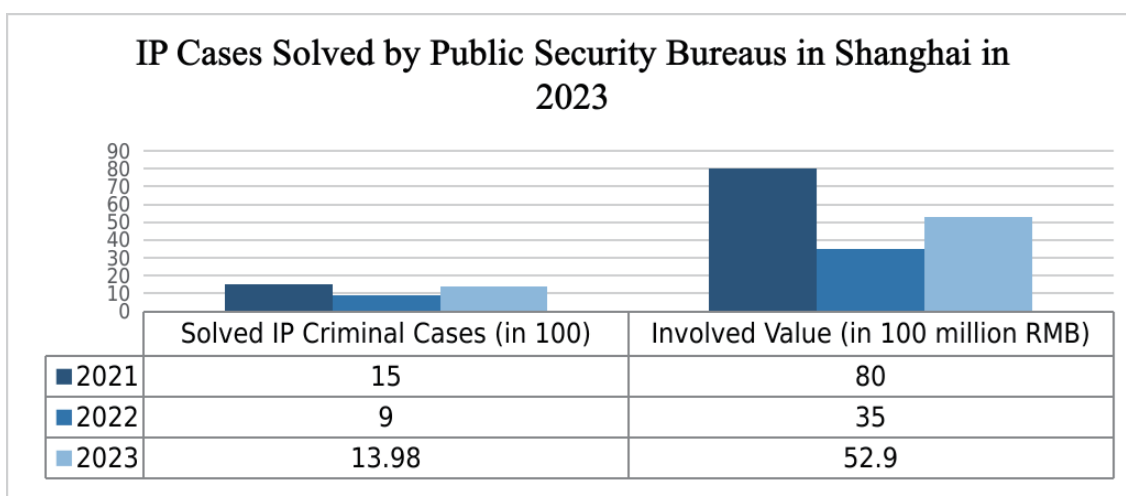
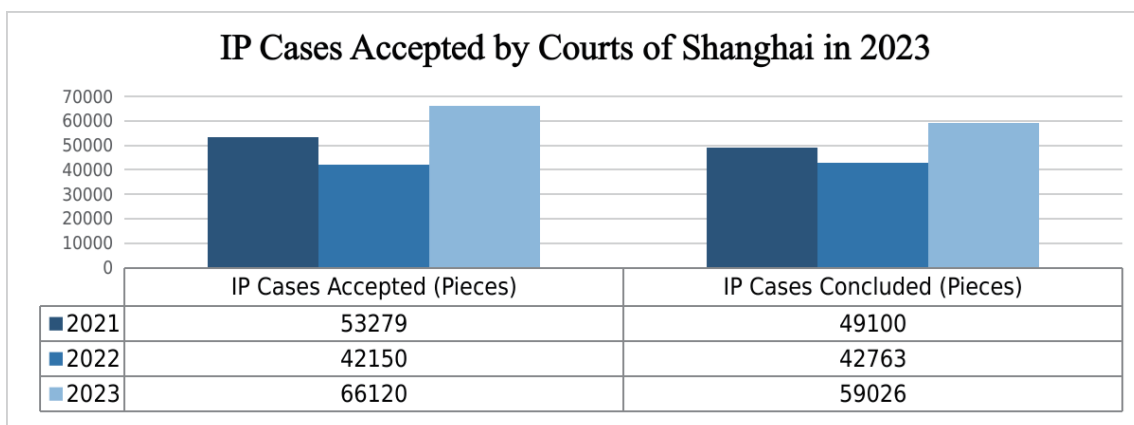
the 2023 “SINOIP Yangtze River Delta High-value Patent Operation Competition”. Shanghai Municipal Market Supervision Administration actively promotes joint law enforcement actions in the Yangtze River Delta region. The procuratorial organs of Shanghai, Jiangsu, Zhejiang and Anhui signed the *Framework Agreement on Intellectual Property Protection in the Digital Economy*. Shanghai Customs strengthens the mechanism of efficient and convenient-to-use IP protection services with the customs offices in the Yangtze River Delta. Courts and procuratorates of the nine districts and cities in the G60 Science and Technology Innovation Corridor signed the *Framework Agreement on Deepening Judicial Cooperation Services to Safeguard Science and Technology Innovation Ecosystem Construction*. Qingpu District established “Yangtze River Delta Eco-green Integrated Development Demonstration Zone Intellectual Property Comprehensive Public Service Center”.

III.Promote Shanghai as a Forerunner of IP Protection

Strengthen the foundation for IP protection. Pudong New Area and Xuhui District were selected as national intellectual property protection demonstration zones, and Jing’an, Hongkou, Jiading, Chongming and other districts were selected as the first-batch municipal intellectual property protection demonstration zones. Shanghai IP Administration carried out the reform on approving the use of special geographical indication marks, and deepened the construction of “Shanghai Chongming District”, “Songjiang Rice” and “Nanhui Peach” national geographical indication product protection demonstration areas. Shanghai Intellectual Property Protection Center, now fully operational, has registered applications from 1,173 filing entities and accepted 2,029 patent pre-examination applications to date. New “Shanghai Enterprise Overseas Intellectual Property Service” was set up in Madrid, Spain and Munich, Germany. Shanghai Municipal Commission of Commerce guided the establishment of “Shanghai International Trade IP Overseas Rights Protection Platform”.

Strengthen IP judicial protection. In 2023, the court system in Shanghai accepted 66,120 IP cases of various types, and concluded 59,026 cases, up by 56.87% and 38.03%, respectively, among them, 97% of the first-instance judgments are final without appeal. With measures to intensify punishment

over malicious infringements, infringers were sentenced to compensate a total of 820 million RMB for economic losses according to law, of which 50 million RMB was punitive damages, up by 45.2% year-on-year. Shanghai’s procuratorial organs examined arrest applications from 425 cases of suspected IP crimes involving 738 individuals, which resulted in approved arrest of 397 people from 242 cases. Shanghai’s procuratorial organs also reviewed indictability of 944 cases involving 2072 people, and filed 785 cases of public prosecution involving 1481 people. Shanghai Public Security Bureau cracked down on a total of 1,398 IP criminal cases, and arrested 4,266 suspects, involving more than 5.29 billion RMB. Shanghai High People’s Court, Shanghai People’s Procuratorate and Shanghai Public Security Bureau explored the mechanism of elevating the jurisdiction of trade secret criminal cases. Shanghai People’s Procuratorate continues to strengthen implementation of the corporate compliance system for IP management.



Make IP administrative protection more efficient. In 2023, Shanghai’s IP

administrative enforcement bodies at the municipal and district levels handled a total of 89 counterfeit patent cases and 1452 trademark violation cases, and imposed 15,918,800 RMB of administrative penalties and charges. Shanghai IP Administration established 2,576 patent dispute cases and concluded 2,569 cases. The city's copyright administrative law enforcement agencies established and handled 59 cases, and waived penalty for 18 first-time violations from these cases. Shanghai Customs seized and investigated 9,150 batches of infringing goods containing 7.408 million pieces of goods. Shanghai Municipal Bureau of Justice guided 84 IP disputes mediation organizations in the city to accept more than 34,000 IP disputes, and successfully mediated more than 10,000 cases. Shanghai Arbitration Commission and Shanghai International Economic and Trade Arbitration Commission handled 1,173 IP arbitration cases. Huangpu District was selected as the "National Trade Secret Protection Pilot Area for Innovative Practices". Changning, Putuo, Fengxian and other districts improved the cross-departmental and cross-regional collaborative protection mechanism with innovative measures. Hongkou District issued the guidelines for IP protection on e-commerce platforms. Jinshan District launched the "Zhihui Bay Area" brand for its IP protection public services. Songjiang District issued the *Guidelines on Intellectual Property-related Compliance Standards for Food Enterprises*.

IV. Join Forces to Strengthen IP Utilization and Commercialization

Enhance IP utilization capacity. Shanghai IP Administration completed the three-year patent commercialization cultivation plan, and supported Unisoc (Shanghai) Technologies Co., Ltd. to be approved by CNIPA to host a national integrated-circuit industry IP operation center. Shanghai IP Administration also carried out 50 projects to improve the IP operation capability of SMEs, and identified 32 SMEs as demonstration units for industrialization of high-value patents. It also promoted 139 units to issue 566 patent open-licensing statements, and helped reach 86 deals. Science and Technology Commission of Shanghai Municipality issued the *Implementation Plan of the Pilot Reform for Shanghai's Science and Technology Achievements Transformation and Innovation*. Shanghai Municipal Commission of Education continued to promote the "double first-class" construction for universities and disciplines, and deployed a new platform for basic research. Shanghai Municipal Bureau of Statistics performed a study on R&D

investment increment in the three leading industries of Shanghai. There are 25 new national IP demonstration enterprises and 122 enterprises strong on IP at the national level in the city. In addition, there are 50 new municipal-level patent work demonstration units and 150 such pilot units; 4 new national copyright demonstration units and parks (bases) and 10 municipal copyright units and parks (bases) strong on copyrights in the city. Four units were selected as the “Top 10 Copyright Owners of the Year”, and two works won the “2022 WIPO-NCAC Copyright Gold Awards”. Fifteen patent supermarkets in Baoshan, Minhang and other districts have made fruitful results in their operation.

Energize market players to unleash potential. Shanghai Municipal Finance Bureau and Shanghai Financial Administration issued the *Shanghai Pilot Work Plan on “Pre-Compensating” the Risks for Loans Pledged in IP, and the Special Arrangement of Shanghai Policy Financing Guarantee Fund in Providing Guarantees for Micro, Small and Medium-sized Enterprises in IP-pledged Financing*. The Shanghai Branch of the People’s Bank of China issued the *Shanghai Credit Policy Guidelines 2023*. More than a thousand registered patent and trademark-backed financing projects presented a total scale of 22.76 billion RMB, up by 87% year on year. 860 deals of intellectual property insurance were reached with a total insured amount of 260 million RMB. Shanghai Westwell Technology Co. Ltd. won the second WIPO Global Awards. Shanghai won four gold medals and three silver medals in the 24th China Patent Awards.

Energize trademarks and brands. Shanghai IP Administration organized a sub-forum on trademarks and geographical indication brands during the “International Forum on China Brand Development 2023”. It also built three new trademark and brand innovation and entrepreneurship bases and eight trademark and brand guiding stations, and established the municipal geographical indication alliance. Shanghai Copyright Administration implemented the “Plan to Promote Publication of Translated Works in Shanghai” and guided the holding of the second “Hanfu Creativity and Copyright Summit Forum” (Hanfu means Han Chinese clothing). Shanghai Commission of Economy and Informatization incorporated 204 products with independent intellectual property rights into the recommended catalogue of

innovative products in Shanghai. Municipal State-owned Assets Supervision and Administration Commission issued China's first guide for brand digital-asset innovation and opinions to support brand development of state-owned enterprises.

V.Strengthen Supervision of the IP Service Industry

Continue to optimize the business environment. Shanghai IP Administration formulated an implementation plan to strengthen synergistic and integrated innovation and continuously optimize the business environment. This plan includes implementation of 35 IP reform tasks in 6 aspects, all benchmarking with higher standards. Shanghai IP Administration also implemented the project of inclusive IP public services, promoted the construction of the urban standardized IP public service pilot programs, and built a “1+1+X” comprehensive IP public service system. All districts in the city have established comprehensive IP public service windows in administrative service centers and upgraded the “Shanghai Intellectual Property service” website. Shanghai IP Administration established a working mechanism for 100 IP-focused business-environment experience officers. CNIPA approved Shanghai Lingang New Area to establish an IP public service window linked to CNIPA.

Stronger capacity to provide public services. We participated in the nationwide (“Tens of Thousands of Miles” or “Wan Li Xing”) campaign and a special campaign for “enterprises with technical and innovation edge” to enhance IP public services. Two organizations were selected as the preparatory organizations for the WIPO Technology and Innovation Support Center (TISC), three organizations were registered as National IP Information Public Service Outlets, and eight units were newly recognized as Municipal IP Information Public Service Outlets. Caohejing Development Zone was upgraded to be one of the first demonstration areas for the development of high-quality IP service industry. The first permanent representative office of a foreign patent agency in Shanghai has been established in Pudong. Two cases were selected as the model cases for national IP information public service. Three cases on government agencies' work were selected as the typical cases for national IP service industry development.

Strengthen supervision over IP agencies. Shanghai IP Administration formulated the *List of Random Inspection Items of Shanghai IP Administration (First edition)*, and

organized a “double-random and result-sharing” inspection of the IP service industry following the mode of “randomly choosing inspection targets, randomly dispatching inspection officers and publicizing the inspection result to the society timely”. It also carried out the “Blue Sky” program to regulate the IP agency industry, investigated and concluded 15 cases concerning violations by IP agencies. Among them, three cases were selected into the National “Blue Sky” Program Cases for Special Attention. Shanghai IP Administration also issued *Local Standards for Guiding Comprehensive Credit Evaluation of Patent Agencies*. The total number of patent agencies and patent attorneys in the city reached 340 and 2,217, up by 15.25% and 11.07% respectively. There are 1,654 registered trademark agencies with 3,192 employees.

VI. Solidify the Foundation of IP Work

Deepen international cooperation on intellectual property. The 20th Shanghai International Intellectual Property Forum with the theme “Strengthening Legal Protection of Intellectual Property, Fueling Innovation-Driven Development of Digital Economy” was held with high standards. Shanghai Municipal Government and WIPO signed a *Memorandum of Understanding to Enhance Exchanges and Cooperation in the Field of IP*. Shanghai IP Administration organized a delegation to visit the EU IP Office. Shanghai Municipal Commission of Commerce promotes the cooperation between the municipal IP commercial mediation institutions and the US judicial arbitration and mediation institutions and CEDR (Center for Effective Dispute Resolution, Britain). Shanghai Municipal Bureau of Justice held the 5th Shanghai International Arbitration Forum. By the end of 2023, WIPO Arbitration and Mediation Shanghai Service has accepted 100 mediation cases commissioned by Chinese courts, concluded 90 cases and successfully mediated 32 cases.

Strengthen IP personnel training. Shanghai IP Administration issued the *Implementation Opinions on Accelerating the Building of Shanghai Into an IP-Personnel Powerhouse (2023-2025)*. Shanghai Commission of Economy and Informatization held the “2023 Seminar on Strengthening IP Proficiency for Innovation for Little Giants with Technical and Innovation Edge (SMEs)”. Shanghai Commission of Commerce guided the holding of the “3rd Shanghai International Economic, Trade and Commercial Mediation Personnel Training Course”. Shanghai Municipal Commission of Education promoted the construction of the first-level

discipline system of IP in colleges and universities and the establishment of professional master's degree programs. Shanghai Municipal Human Resources and Social Security Bureau guided the revision of standards for evaluating senior IP professionals, and 25 people received this title. Shanghai Municipal Health Commission and Science and Technology Commission of Shanghai Municipality held the "Chunsheng Cup" Medical Innovation Talent Competition. In Shanghai, 3,554 people applied for the qualification exam for patent attorneys and 409 passed the exam.

Create an excellent IP cultural environment. The General Office of Shanghai Intellectual Property Joint Committee organized the IP Publicity Week with the theme "Strengthening Legal Protection of IPR, Supporting Comprehensive Innovation", and released *Ten Typical Cases of IP Protection in Shanghai in 2023 and Top Ten Typical Cases for Shanghai's IP Reform and Innovation Work*. The press conference of the government, briefings by the municipal political consultative conference, the study session of the municipal government counsellors' office, media briefings and other events were held to communicate IP protection work in Shanghai. The short video "Study IP in Shanghai" launched by Shanghai IP Administration was awarded the Shanghai "Silver Pigeon Award" in 2023. There are 7 newly recognized municipal model schools for IP education. Shanghai Copyright Administration released *Top Ten Typical Copyright Protection Cases in 2023*. Shanghai Municipal Market Supervision Administration organized public lectures on trade secret protection. Shanghai Landscaping & City Appearance Administrative Bureau provided public education on IP laws and regulations during the campaign to empower rural development through science and technologies. Shanghai High People's Court and Shanghai People's Procuratorate released the *White Paper 2023 on the Intellectual Property Trials by Courts of Shanghai and Shanghai White Paper on Prosecution of Intellectual Property Crimes*.

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The General Office of Shanghai Intellectual Property Joint Committee

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