• Chinese Patent Practice
# Numbers of Patent Applications Filed and Patents Issued in China (2003 - 2012)

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<tr>
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<tr>
<td><strong>Patent Applications Filed</strong></td>
<td>353,807</td>
<td>476,264</td>
<td>573,178</td>
<td>694,153</td>
<td>828,328</td>
<td>976,686</td>
<td>1,222,286</td>
<td>1,633,347</td>
<td>2,050,649</td>
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<td><strong>Patent Issued</strong></td>
<td>190,238</td>
<td>214,003</td>
<td>268,002</td>
<td>351,782</td>
<td>411,982</td>
<td>581,992</td>
<td>814,825</td>
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<td>1,255,138</td>
<td>1,313,000</td>
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<tr>
<td><strong>Domestic Applications Filed</strong></td>
<td>278,943</td>
<td>383,157</td>
<td>470,342</td>
<td>586,734</td>
<td>717,144</td>
<td>877,611</td>
<td>1,109,428</td>
<td>1,504,670</td>
<td>1,912,151</td>
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<td><strong>Foreign Applications Filed</strong></td>
<td>74,864</td>
<td>93,107</td>
<td>102,836</td>
<td>107,419</td>
<td>111,184</td>
<td>99,075</td>
<td>112,858</td>
<td>128,677</td>
<td>138,498</td>
<td>142,501</td>
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<tr>
<td><strong>Domestic Patents Issued</strong></td>
<td>151,328</td>
<td>171,619</td>
<td>223,860</td>
<td>301,632</td>
<td>352,406</td>
<td>501,786</td>
<td>740,626</td>
<td>883,861</td>
<td>1,163,226</td>
<td>1,228,413</td>
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<tr>
<td><strong>Foreign Patents Issued</strong></td>
<td>38,910</td>
<td>42,384</td>
<td>44,142</td>
<td>50,150</td>
<td>59,576</td>
<td>80,206</td>
<td>74,199</td>
<td>76,652</td>
<td>91,912</td>
<td>84,587</td>
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Expansion of Chinese Patent Office

• Five satellite offices have been and will be established
  – Suzhou, Guangzhou, Zhengzhou, Wuhan and Tianjing
  – Hiring new examiners locally
  – Handling substantive examination of patent applications

• Over 8,000 patent examiners
  – Hiring a lot of new examiners
  – Inconsistent examination results
Foreign Filing License (FFL)

• Required for invention made in China or jointly made in China and other country
  – Before filing a foreign application including PCT
  – Not limited to Chinese inventors
  – Invention made in HK, Macau or Taiwan is not included
  – Design is not included
  – No FFL is automatically granted after filing a Chinese application
  – No retroactive FFL is available
  • Violation leads to rejection or invalidation
Strict Examination by SIPO

• Strict data requirement under Art. 26.3 & 26.4
  – Insufficient disclosure of the specification
    • Applied to all pending and granted cases
  – Lack of support for broader claim scopes
    • Sometimes can only claim embodiment or example
  – Very difficult in the fields of pharm, biotech and chem

• Strict requirement on amendment under Art. 33
  – Amendment can be directly or unambiguously derived from the original disclosure
  – Very narrow implementation in practice
    • Literal and verbatim support is always required
High Quality of Examination by SIPO

- More rejections on substantive issues are expected
- Knock down junk utility model and design patents
  - Percentage of design applications filed with SIPO decreased in 2013
    - 32% in 2012 and 27.7% in 2013
  - Utility model and design applications having obviously no novelty will be rejected
  - SIPO will review substantive issues for utility model application
    - Official actions on substantive issues for utility model applications are expected
Patent Prosecution Highway (PPH)

• PPH pilot program between SIPO and other nine patent offices including Japan, USA, Korea, Germany….
  – 1363 PPH requests were filed with SIPO in 2012
  – About 43% of the PPH are from the United States
  – Very strict formality checking – high claim correspondence required
  – Generally, function as a priority pass to accelerate prosecution
  – SIPO will do its own examination

• A new IP5 pilot PPH program was just launched
  – Started on January 6, 2014 for three years
  – SIPO, USPTO, EPO, JPO and KIPO agreed to share their examination results
Yangsheng Yu (yyu@cptausa.com/212.809.8100)

- Skillful in drafting and prosecuting patent applications and experienced in handling reexamination and invalidation cases, dealing with relevant administrative litigation cases, and providing infringement analysis.
- Counseling Chinese and U.S. clients on IPRs protection and strategy