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### **Draft E-commerce Law Highlights IP Protection**

The draft law on e-commerce, submitted at a six-day bimonthly session of the Standing Committee of the National People's Congress, categorizes e-commerce operators into three groups: those conducting business on their own websites, e-commerce platform operators, and stores on e-commerce platforms.

The draft was first read by the top legislature in December 2016. The latest version, submitted for the second reading, further clarifies the liabilities of e-commerce operators and punishments for infringing intellectual property and consumer rights.

According to the draft, e-commerce platform operators should be registered with the industry and commerce administrations, except for those that sell homegrown farm produce or handmade products, and others who by law do not need to be registered.

The operators are required to cancel, block, disconnect or close transactions with business operators who violate IP rights when they are aware of, or should be aware of, the offences. Those who do not take necessary action will bear joint liabilities.

They should not infringe consumers' rights by posting false advertisements, fabricating transaction information or user comments. They should deliver products and services as promised and bear the risk and liabilities of transportation.

Consumers should be informed of how to cancel their accounts without unreasonable conditions.

When e-commerce platform operators offer search services for consumers, they may display the results according to indicators such as price, sales volume and credit but the results of paid listings should be clearly labeled as advertisements.

The bill also pays great attention to dispute settlement. It requires e-commerce operators to establish convenient and efficient channels to handle complaints. During disputes with consumers, they shall provide original transaction information to the court, arbitration authority or other mediation agencies. They will be punished for faking, destroying, tampering with or refusing to hand in such information.

China has the world's largest e-commerce market, with online retail sales reaching nearly 5.2 trillion yuan (US\$755.3 billion) in 2016, a year-on-year increase of 26.2%.

<http://www.chinaipr.gov.cn/article/centralgovernment/201711/1912806.html>

### **Chinese Vice Premier Addresses IPR Fraud**

China must make more headway against IPR infringement and counterfeit products, vice premier Wang Yang said at the 12th meeting of the national leading group for crackdown on IPR infringement and counterfeits.

Fighting IPR infringement and counterfeits is necessary to meeting people's wish for a better life and important in a modern economy and innovative country, said Wang, who is a member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee.

Although progress has been made which has improved the market environment and protected interests of both enterprises and consumers, the problem not been fully eradicated and more effort is needed, according to the vice premier. He particularly stressed regulation of major websites and a system that integrates both online and offline regulation.

<http://www.chinaipr.gov.cn/article/centralgovernment/201711/1913120.html>

### **Reference Table for International Design Classification and National Economy Industries Classification Published**

The State Intellectual Property Office (SIPO) published Reference Table for International Design Classification and National Economy Industries Classification (Trial) for the first time.

The Reference Table establishes mapping relationship between design patents and national economy industries to provide a direct reference for industrial classification of design patent.

The Reference Table complies with the principle of minimum classification, product comparison and comprehensive comparison, and compares the international design classification to the corresponding small, medium or large categories in the national economy industries. The national economy, which has a mapping relationship with the international design classification, has a total of 243 sub-categories, 22 middle-level categories and 1 large-scale category, all concentrated in the manufacturing sector.

[http://english.sipo.gov.cn/news/official/201711/t20171110\\_1320108.html](http://english.sipo.gov.cn/news/official/201711/t20171110_1320108.html)

### **China's Copyright Registrations Soar**

The Copyright Protection Center of China announced in early November that the number of software copyright registrations nationwide in the first nine months of 2017

increased 96.9 percent from the same period last year, a record growth rate for the last five years.

In September alone, there were 74,351 registrations, up 90.2 percent year-on-year.

<http://www.chinaipr.gov.cn/article/centralgovernment/201711/1913123.html>

### **China and Brazil Launch Pilot PPH Program**

After a fruitful sharing of comments on more profound bilateral cooperation, SIPO Commissioner Shen Changyu reached a memorandum of understanding (MoU) and an agreement on a joint patent prosecution highway (PPH) with his Brazilian counterpart, Luiz Pimentel, President of the Brazilian National Institution of Intellectual Property (INPI) in Beijing on November 13.

According to the MoU, SIPO and INPI will launch PPH pilot program on February 1, 2018, facilitating the applicants from the two countries to have their patent applications examined in an expedited manner in the other office.

"The new MoU captured the latest features and demands of IP cooperation between China and Brazil. It will promote development of IP systems in the two countries, provide quality services to users from both countries, elevate IPR protection and public awareness, build up better IP environment," said Shen.

"PPH pilot program meets our common interests of the parties, caters the needs for the healthy development in the economy and trade between China and Brazil, and also promotes IP creation and IPR protection of the two countries. We will further strengthen cooperation, discuss the path and direction, promote deeper development and make contributions to economic and social development of two countries," added Shen.

[http://english.sipo.gov.cn/news/official/201711/t20171115\\_1320154.html](http://english.sipo.gov.cn/news/official/201711/t20171115_1320154.html)