China IP SME Helpdesk

ABOUT US
<table>
<thead>
<tr>
<th>Name</th>
<th>Matias Zubimendi</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company</td>
<td>China IP SME Helpdesk</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:matias.zubimendi@china-iprhelpdesk.eu">matias.zubimendi@china-iprhelpdesk.eu</a></td>
</tr>
</tbody>
</table>

Mr. Matias Zubimendi is the IP Business Advisor at China IP SME Helpdesk, where he advises European SMEs on intellectual property rights matters. Mr. Zubimendi holds a Master’s degree in Chinese Civil and Commercial Law from Peking University as well as a Master’s degree in Intellectual Property Law from Austral University in cooperation with the World Intellectual Property Organisation. Mr. Zubimendi has a strong background in both business development and intellectual property rights protection, having previously worked as a China Business and Legal Consultant at Terragene, where he focused on business development and as a Director of Legal Affairs at Conquer Europe. Previously, he has also worked as a Patent and Trademark Attorney at Phoebus Abogados and Mazzeo & Canet, where he represented SMEs as well as Fortune 500 companies. Mr. Zubimendi has given lectures at various conferences including the Ibero-American Conference on Chinese Studies and published several articles including *The legal protection of intangibles in the video games industry*. As a Professor Assistant, he has also given lectures on Commercial Law and Procedural law, while focusing on Copyright and AI in his research. Mr. Zubimendi is a native Spanish speaker fluent in English.
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Key elements of an IP strategy for China
- Basics

01

Identify -> Register

Exploit

Problems?

Enforce

Exit
Key elements of an IP strategy for China

- Identify

<table>
<thead>
<tr>
<th>Invention patents</th>
<th>Innovative products</th>
<th>Innovative processes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utility models</td>
<td>Functional aspects of a product</td>
<td></td>
</tr>
<tr>
<td>Design patents</td>
<td>Aesthetic aspects of a product</td>
<td></td>
</tr>
</tbody>
</table>

- Trademarks
  Signs that distinguish products from competitors

- Copyright
  Expression of an idea

- Trade secret
  Information that is not known by competitors, has commercial value and is kept protected.
## Key elements of an IP strategy for China

### Register

<table>
<thead>
<tr>
<th>Type</th>
<th>Authority</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invention patents</td>
<td>CNIPA</td>
<td>PCT</td>
</tr>
<tr>
<td>Utility models</td>
<td>CNIPA</td>
<td>PCT</td>
</tr>
<tr>
<td>Design patents</td>
<td>CNIPA</td>
<td></td>
</tr>
<tr>
<td>Trademarks</td>
<td>CNIPA</td>
<td>Madrid System</td>
</tr>
<tr>
<td>Copyright</td>
<td>CPCC</td>
<td>Others (Blockchain)</td>
</tr>
<tr>
<td>Trade secret</td>
<td>No registration</td>
<td></td>
</tr>
</tbody>
</table>
**Key elements of an IP strategy for China**

- **Exploit**

<table>
<thead>
<tr>
<th>By IP owner</th>
<th>By third parties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacture</td>
<td>License</td>
</tr>
<tr>
<td>Commercialisation</td>
<td>Distribution</td>
</tr>
<tr>
<td>Export / import</td>
<td>Joint Ventures</td>
</tr>
</tbody>
</table>
Key elements of an IP strategy for China

- Enforce

<table>
<thead>
<tr>
<th>People’s Courts</th>
<th>IP Courts</th>
<th>Internet Courts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not specialised in IP</td>
<td>Specialised Advised for complex cases</td>
<td>Jurisdiction limited Digital evidence accepted</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Arbitration</th>
<th>Copyright</th>
<th>Administrative Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreement needed</td>
<td>Notice and take-down</td>
<td>CNIPA Customs</td>
</tr>
</tbody>
</table>

## Key elements of an IP strategy for China

### Exit strategies

<table>
<thead>
<tr>
<th>Contractual solutions</th>
<th>Unplanned exit</th>
<th>Non-competence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surveillance</td>
<td>Negotiate</td>
<td>Trade secrets</td>
</tr>
<tr>
<td>Exit clauses - notification</td>
<td></td>
<td>Previous partners and employees</td>
</tr>
<tr>
<td>Compensation clauses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Register under your name</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Research & development
- How to protect your future IP?

Inventory
• What existing technologies are there?
• What other contributions are there?
• Who are the R&D employees working for?
• What is the targeted technology?

Use protective measures
• Use trade secret protection for unregistered technologies
• Remember the need-to-know rule
• Establish information management rules

Contracts
• Ownership of technology
• Registration
• Decision-making rules for unforeseen scenarios
• Protection of potential future technologies
• Compensation for the scientists
Best practice of Distributor Agreements

- Tips

Register first

- Trade marks
- Advertisement

Limit

- In territory
- In quantity

Export and communication channels

- Customs
- Social media
Best practice of Licensing Agreements - Tips

**Protect first**
- Registration
- Protective measures

**Negotiate**
- Specify patents
- Limits

**Trade secrets**
- Know-how
- Management
## Best practice of Licensing Agreements

- **Common clauses**

<table>
<thead>
<tr>
<th>Limits</th>
<th><strong>Territory</strong></th>
<th><strong>Time</strong></th>
<th><strong>Exclusivity (or not)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Jurisdiction</td>
<td><strong>Arbitration</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Judicial</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Costs</td>
<td><strong>Fees</strong></td>
<td><strong>Market access</strong></td>
<td><strong>Enforcement</strong></td>
</tr>
<tr>
<td></td>
<td><strong>R&amp;D</strong></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td><strong>Royalties</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Termination</th>
<th><strong>Reasons</strong></th>
<th><strong>Communication</strong></th>
<th><strong>Consequences</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorisation (or not)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| R&D             | **Fees**      |

## Best practice of Licensing Agreements
- Open license method for patents and utility models

### Request
- Written
- CNIPA
- Non-exclusive

### Withdraw
- Written
- Do not affect existing licenses

### Benefits
- Publicity
- Fees reduction - exception
E-commerce
- Notice and take-down

1. Register your IP in China
2. Create user at the platform
3. Upload your IPR certificates
4. Get information on the infringer
5. Collect evidence
6. Surveillance
7. Use the notice & take-down method
8. Wait for the results
9. Go to Court (if needed)
## Monitoring IP in China
- Keeping track of the market

<table>
<thead>
<tr>
<th>Competitors</th>
<th>IP Databases</th>
<th>Legislation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Trade fairs</td>
<td>• CNIPA</td>
<td>• IPR laws</td>
</tr>
<tr>
<td>• E-commerce</td>
<td>• WIPO</td>
<td>• Catalogue and Negative Lists for Foreign Investment</td>
</tr>
<tr>
<td>• Advertisement</td>
<td>• TMView</td>
<td>2020</td>
</tr>
</tbody>
</table>
Marketplace
- What IP is involved in market access?

- Register before entering the market
- Use of technology – cloud methods
- Control the communication with your clients
- Settle good rules of trade secret management
- Trade secret leaks
- Surveillance problems
- Interaction
- Bad faith registration
- Use of technology – cloud methods
- Bad faith registration
- Surveillance problems
- Interaction
- Trade secret leaks
- Bad faith registration
- Surveillance problems
- Interaction
- Trade secret leaks