

W&B Legal Newsletter

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Spotlights

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Watson Band Honored “Intellectual Property Law Firm of the Year: East China – Local” in the ALB China Regional Law Awards 2022: East China

Watson & Band Again Listed in 2022 IAM Patent 1000; Four Elites Listed in the Individual Rankings

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INTRODUCTION

Watson & Band has flourished into a full-service law firm with more than 400 pro-fessionals around China. We provide the highest quality services for our clients and enjoy a nationwide reputation as one of the most prominent law firms in China. This excellence and breadth has made us the firm of choice for many world's leading companies and financial institutions as they seek sophisticated legal service. Based on its commitment of quality service, Watson & Band has retained a team of professionals to provide diversified service to its clients, which has won it the honor of China's Best Law Firm and Top-tier IPR Team.

Watson & Band Law Offices

Established in 1995, Watson & Band is one of the oldest law firms in China that provide foreign-related legal services. Headquartered in Shanghai, Watson & Band maintains multiple branches or offices in Beijing, Hong Kong, Harbin, Lanzhou, Yantai, Guangzhou, Zhengzhou, Chengdu, Chicago and Tokyo.

For over decades our team members have collaborated to stay on top of IP and corporate issues, helping clients improve operations, reduce costs, limit risks, enforce rights and achieve common business goals. For these reasons, the firm and its professionals are consistently recognized in client and peer-reviewed industry awards and rankings as being among the best.

These superb services derive from a spirit of dedication that has brought Watson & Band the honor of being listed among "China's Best Law Firms". In past years our firm has received numerous awards from third-party ranking agencies such as "Top 10 IP Law Firm", "Recommended Law Firm". "China's Most Dynamic Law Firm" and "Premier IP Law Firm". Watson & Band Law Offices has also been named a "Key Shanghai Enterprise in Special Services Trades (Legal Services)" by the Shanghai Municipal Commission of Commerce and the Shanghai Judicial Bureau.

Watson & Band Intellectual Property Agent Ltd.

Headquartered in Shanghai, W&B Agent Ltd. operates branch offices in Beijing and Lanzhou. Our patent agency services cover various technical fields such as chemistry, biology, medicine, mechanics, electronics, communication, optics and physics, as well as design patent, IP searches, patent validity analysis, infringement analysis, requests for patent invalidation declaration, litigation and patent consultation, etc. We have established a patent agency service department re-sponsible for special clients. Agents from various technical divisions all have rich experience and are able to work with several languages.

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Disclaimer

- ◆ This Newsletter provides case brief only instead of formal legal opinion regarding any specific case.
- ◆ This Newsletter selects and summarizes official announcements, news and other public documents released by National Intellectual Property Administration of China (CNIPA), Trademark Office of CNIPA, National Copyright Administration of China and other official institutions.
- ◆ This Newsletter has cited the source of the aforementioned official announcements, news and other public documents.

Watson & Band Listed in 2020-2021 TOP 10 China Outstanding IP Agencies in the Patent Civil Litigation Chapter



On July 16 and 17, the winner list for the “2020-2021 TOP 10 China Outstanding IP Agencies” jointly organized by IPHOUSE and IPLEAD was released. The TOP 10 List, relying on data related to litigation within the year, objectively and factually displays service levels of the IP agencies in China and is therefore well-recognized within the industry. Watson & Band, with its long-term excellent performance and professionalism within the IP area, and in particular the patent civil litigation area, is listed in the Patent Civil Litigation Chapter of this year’s TOP 10 List.

Watson Band Honored “Intellectual Property Law Firm of the Year: East China – Local” in the ALB China Regional Law Awards 2022: East China

On July 12, 2022, the world famous legal media Asian Legal Business (“ALB”) under Thomson Reuters announced finalists for “ALB China Regional Law Awards 2022: East China”. Watson & Band is recognized for its professional services and good reputation within the industry, and wins two nominations for this year’s China Regional Law Awards: “Intellectual Property Law Firm of the Year: East China – Local” and “Technology, Media and Telecommunications Law Firm of the Year: East China – Local”.

On the evening of August 19, 2022, the award ceremony of ALB China Regional Law Awards 2022: East China was grandly hosted in the Shanghai Tower. With its excellent performance and good reputation within the intellectual property area over the more than two decades’ time, Watson & Band is honored “Intellectual Property Law Firm of the Year: East China – Local”.



Watson & Band Again Listed in 2022 IAM Patent 1000; Four Elites Listed in the Individual Rankings

In early July, the internationally renowned IP media Intellectual Property Asset Management (“IAM”) released its 2022 IAM Patent 1000 rankings. With our continued efforts and excellence in patent litigation and patent prosecution, Watson & Band is once again listed among top rankings in these two areas.

Meanwhile, four elites from Watson & Band’s patent services team are listed in the individual rankings of the 2022 IAM Patent 1000.

Ranked in Patent Prosecution:

Hua Xiao

General Manager, Senior Patent Agent

Yingcong Xu

Vice General Manager, Senior Patent Agent

Ranked in Patent Litigation:

Jianguo Huang

Partner, Attorney at Law

Yue Zhang

Partner, Attorney at Law

Two Authorities Seek Comments on Catalog of Industries for Encouraged Foreign Investment (2022 Edition)

On August 1, the China Securities Regulatory Commission (“CSRC”) and the Ministry of Finance (“MOF”) issued *the Provisions on Relevant Matters Concerning Firstly Using the Properties of Those with Securities-related Violations to Assume Civil Liability for Compensation* (the “Provisions”), effective from the date of issuance.

The *Provisions* mainly touch upon the application subjects, application term, application materials, and handling procedures, clarifying the working mechanism for using the administrative fines and confiscations paid by the violators to cover the civil liability for compensation. Among others, the *Provisions* specify that the victim investor may file an application pursuant to the *Provisions* within one year after the people’s court issues a ruling to terminate the execution; if an application is made beyond the one-year time limit, it will not be accepted by the CSRC. Where the violator is declared bankrupt by the people’s court, the victim investor may file an application pursuant to the *Provisions* within one year after the end of the bankruptcy procedure or the end of the additional distribution procedure; if an application is made beyond the one-year time limit, it will not be accepted by the CSRC.

(Source: China Securities Regulatory Commission)



CNIPA Clarifies Issues concerning the Application for Suspension in Patent Infringement Dispute Cases

On July 19, the China National Intellectual Property Administration (“CNIPA”) released the *Official Reply on Relevant Issues concerning the Application for Suspension in Patent Infringement Dispute Cases* (the “Reply”).

The *Reply* clarifies the following issues: (1) the notice on the acceptance of the request for invalidation is a necessary condition for the law enforcement and case handling department to suspend the case; (2) the receipt of submission of relevant electronic documents and the payment voucher cannot prove that the request for invalidation has been accepted. The *Reply* notes that, firstly, the receipt of submission of relevant electronic documents only represents that the CNIPA has received relevant electronic documents submitted by the requesting party; secondly, pursuant to the provisions on patent reexamination, and the review for request for invalidation stipulated in Articles 60 and 66 of the *Implementing Rules of the Patent Law*, upon receiving the letter on the request for reexamination or invalidation, the CNIPA shall carry out formal examination, which covers the object of the requesting party, its qualifications, the scope of the request for invalidation, the reasons and evidence, among others. If relevant conditions are not met, the request for reexamination or invalidation will be deemed as unacceptable or deemed to have not been submitted. In general, such formal examination will be carried out after the requesting party pays relevant fees.

(Source: China National Intellectual Property Administration)

Watson & Band, as one of China’s oldest intellectual property service providers with the qualifications as a foreign-related patent agency, maintains a leading position in the intellectual property industry due to its extensive experience. Watson & Band’s IP-related services cover agency and consulting services concerning trademarks, patents, copyrights and other new types of IP rights, enforcement and litigation services, and commercial IP-related legal services.



Network Security and Data Protection

Measures for the Security Assessment of Outbound Data Transfers Released by CAC

On July 8, the Cyberspace Administration of China (“CAC”) released the *Measures for the Security Assessment of Outbound Data Transfers* (the “*Measures*”), with effect from September 1, 2022.

The *Measures* specify the circumstances where application for security assessment is required, including outbound transfer of important data by a data processor, outbound transfer of personal information by a critical information infrastructure operator or a personal information processor who has processed the personal information of more than 1,000,000 persons, outbound transfer of personal information by a personal information processor who has made outbound transfers of the personal information of 100,000 persons cumulatively or the sensitive personal information of 10,000 persons cumulatively since 1 January of the previous year, and other circumstances. The *Measures* propose the basic requirements for security assessment of outbound data transfers. The *Measures* also require the data processor to conduct a self-assessment of the risks in the outbound data transfer before applying for the security assessment of an outbound data transfer, and identify the following matters. The data processor is required to have the data security protection responsibilities and obligations clearly stipulated in the legal document executed with the overseas recipient and to reapply for the security assessment where the security of outbound data transfer may be affected. In addition, the procedures for the security assessment and the supervisory system are specified.

(Source: Cyberspace Administration of China)

Privacy Protection Computing Platform in Financial Scenarios — Technical Requirements and Test Methods and Other Standards Approved

On August 9, the Internet Society of China (“ISC”) approved three association standards, including the *Privacy Protection Computing Platform in Financial Scenarios — Technical Requirements and Test Methods* (the “*Technical Requirements and Test Methods*”), the *Service Specification for Institutional E-signing Based on Blockchain*, and the *Security Technical Requirements and Test Methods of Mobile Application SDK*, all effective from November 5, 2022 and on.

The *Technical Requirements and Test Methods* have specified the technical requirements for the security, performance, and functions of the privacy-preserving computing platform used in the financial field, and provided the corresponding test methods for the technical requirements. This standard applies to the design, development, testing and evaluation of privacy protection computing platforms for banks, securities companies, insurance firms and other financial institutions and related cooperative institutions. The *Technical Requirements and Test Methods* mainly propose technical requirements for related products or platforms from the dimensions of privacy-preserving computing capability, financial scenario application capability, principle architecture security capability, and platform management capability.

(Source: Internet Society of China)

Competition and Anti-monopoly

SAMR to Authorize Pilot Provincial Regulators to Conduct Anti-monopoly Review of Some Cases of Concentration of Undertakings

On July 15, the State Administration for Market Regulation (“SAMR”) issued the *Announcement on Authorizing the Conducting of Anti-monopoly Review of Some Cases of Concentration of Undertakings on a Pilot Basis* (the “*Announcement*”).

Under the *Announcement*, the SAMR intends to authorize market regulatory authorities of Beijing, Shanghai, Guangdong, Chongqing, and Shaanxi to carry out anti-monopoly review of some cases in which the simplified procedures for concentration of undertakings apply, on a pilot basis, from August 1, 2022 and on. The *Announcement* clarifies that, during the pilot period, the SAMR will authorize the pilot provincial market regulators to conduct review of some simple cases, and it will accept the prior notifications of concentration of undertakings in a uniform manner and make review decisions based on the review opinions of the pilot provincial market regulators. The pilot provincial market regulators shall, in accordance with the uniform rules of the SAMR for the concentration of undertakings, conduct review of materials and case-filing review, and complete the reviews within the specified time limit, and then submit the review reports and review recommendations to the SAMR. After the SAMR makes the review decisions, the pilot provincial market regulators will deliver such decisions to the applicants. The pilot period ends on July 31, 2025.



(Source: China State Administration for Market Regulation)