W&B IP Newsletter

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Contents

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The Latest from Watson & Band

Watson & Band Law Offices and Watson & Band Intellectual Property Agency Ltd. Named to ACPAA's Inaugural "Precision Service Guarantee" List

The All-China Patent Attorneys Association (ACPAA) recently announced the first batch of agencies accredited for its "List of Precision Service Guarantee Patent Agencies". Watson & Band Law Offices and Watson & Band Intellectual Property Agency Ltd. were both selected for this inaugural list. As two of the earliest Chinese IP service providers authorized to handle foreign-related patent matters, their inclusion reflects over three decades of expertise and significant contributions to the IP field.

According to the ACPAA, the establishment of the list is a key measure to advance China's national innovation-driven development strategy. The association identified accredited agencies through a comprehensive recommendation process, selecting firms with strong professional capabilities, a sound credit standing, a record of high-quality service, and a demonstrated commitment to professional self-regulation. The public announcement of the list aims to better align premier IP service resources with the needs of innovators.

Watson & Band Nominated Again for 2025 ALB China Regional Legal Awards

On July 17, 2025, Asian Legal Business (ALB), a prestigious legal media outlet under Thomson Reuters, announced the shortlist for the 2025 ALB China Regional Legal Awards: East China. Continuing its record of industry recognition, Watson & Band has once again been nominated in two key categories:

Intellectual Property Law Firm of the Year: East China – Local
Wealth Management Law Firm of the Year: East China – Local

The 2025 ALB China Regional Legal Awards: East China honor the leading law firms, in-house counsel, and legal professionals across East China, a region that includes Shanghai and the provinces of Shandong, Jiangsu, Anhui, Zhejiang, and Jiangxi. The awards celebrate outstanding professional achievements and significant transactions from the past year, setting a benchmark for excellence in the legal community.

Patent

China IP Update: Invention Patent Decline Eases Slightly While Utility Model Grants Continue to Plunge

According to the latest monthly statistics from the China National Intellectual Property Administration (CNIPA), patent grant numbers for the first seven months of 2025 show a mixed but predominantly downward trend compared to the same period in 2024. From January to July 2025, grants for invention patents fell by 26.59%, and utility models dropped by 24.69%. In contrast, design patent grants saw a modest increase of 2.05%.

Patent Grant Number	Invention Patents	Utility Model Patents	Design Patents	Total
Jan-Jul 2024	649,860	1,174,841	358,663	2,183,364
Jan-Jul 2025	477,090	884,798	366,001	1,727,889
Growth	-172,770	-290,043	7,338	-455,475
Growth Rate (%)	-26.59%	-24.69%	2.05%	-20.86%

According to the data released by the CNIPA , the cumulative monthly grant number for 2025 compared to 2024 is as follows:

2025 vs. 2025	Cumulative Y-o-Y Change in Patent Grants		
Period	Invention Patents	Utility Model	Design
Jan	-13.93%	-4.99%	10.69%
Jan-Feb	-15.93%	-2.67%	9.34%
Jan-Mar	-20.99%	-2.73%	10.07%
Jan-Apr	-26.02%	-11.62%	3.95%
Jan-May	-28.04%	-17.79%	2.77%
Jan-Jun	-28.75%	-21.71%	3.12%

The July figures confirm a seven-month consecutive year-over-year decline for both invention patents and utility models. Notably, the 24.69% cumulative drop in utility model grants marks the steepest decline recorded so far this year, continuing a significant downward trend for this IP right in China.

(Source: CNIPA)

Patent

National Data Administration: China Accounts for 60% of Global AI Patent Filings

On August 14, the National Data Administration reported that, following years of sustained efforts, China has achieved significant breakthroughs in critical digital technologies. The country's overall strength in artificial intelligence (AI) has advanced systematically, with its AI-related patents now accounting for 60% of the global total. Significant progress has also been made in areas such as humanoid robots and smart terminals. Meanwhile, China's integrated circuit (IC) sector is accelerating its development, establishing a complete industrial chain that covers design, manufacturing, packaging and testing, materials, and equipment.

China's digital infrastructure expanded significantly during the "14th Five-Year Plan" period. As of June 2025, the country had deployed 4.55 million 5G base stations and reached 226 million gigabit broadband users. Its total computing power now ranks second globally.

The nation's data industry is also expanding rapidly, emerging as a new driver of the digital economy with vast market potential. Research from the National Institute for Data Development indicates that by 2024, the number of data-related enterprises nationwide exceeded 400,000, with an industry value of 5.86 trillion yuan—a 117% increase from the end of the "13th Five-Year Plan" period. The sector is expected to maintain robust growth in the coming years. A new industrial ecosystem is taking shape, characterized by in-depth data mining and integration, advanced algorithmic capabilities, and highly integrated data resources. Estimates show that in 2024, the average R&D investment of listed data companies rose by 79% compared with the end of the previous planning period, underscoring the growing innovation vitality across the industry chain.

(Source: People's Daily)

2024 Patent Survey Report Series – Special Topic VI: Prominence of Patent Creation and Protection Capabilities in the Digital Economy Sector

The 2024 Patent Survey shows that Chinese enterprises in the digital technology sector demonstrate a high proportion of invention patents obtained through in-house R&D, strong collaboration between industry, academia, and research institutions, a close link between patent commercialization and own brands, and relatively strong capabilities in detecting and enforcing against infringement. However, these enterprises also face prominent cross-border IP challenges.

Patent

(I) Enterprises Prioritize Digital Technology Patent Innovation

1. Nearly 40% of Patent-Owning Enterprises Hold Digital Technology Patents

The Survey shows that approximately 157,000 enterprises in China hold invention patents in digital technologies, accounting for 36.8% of all enterprises with valid invention patents. By sector, the largest number of enterprises holding digital technology invention patents are in scientific research and technical services. (See Figure 52)

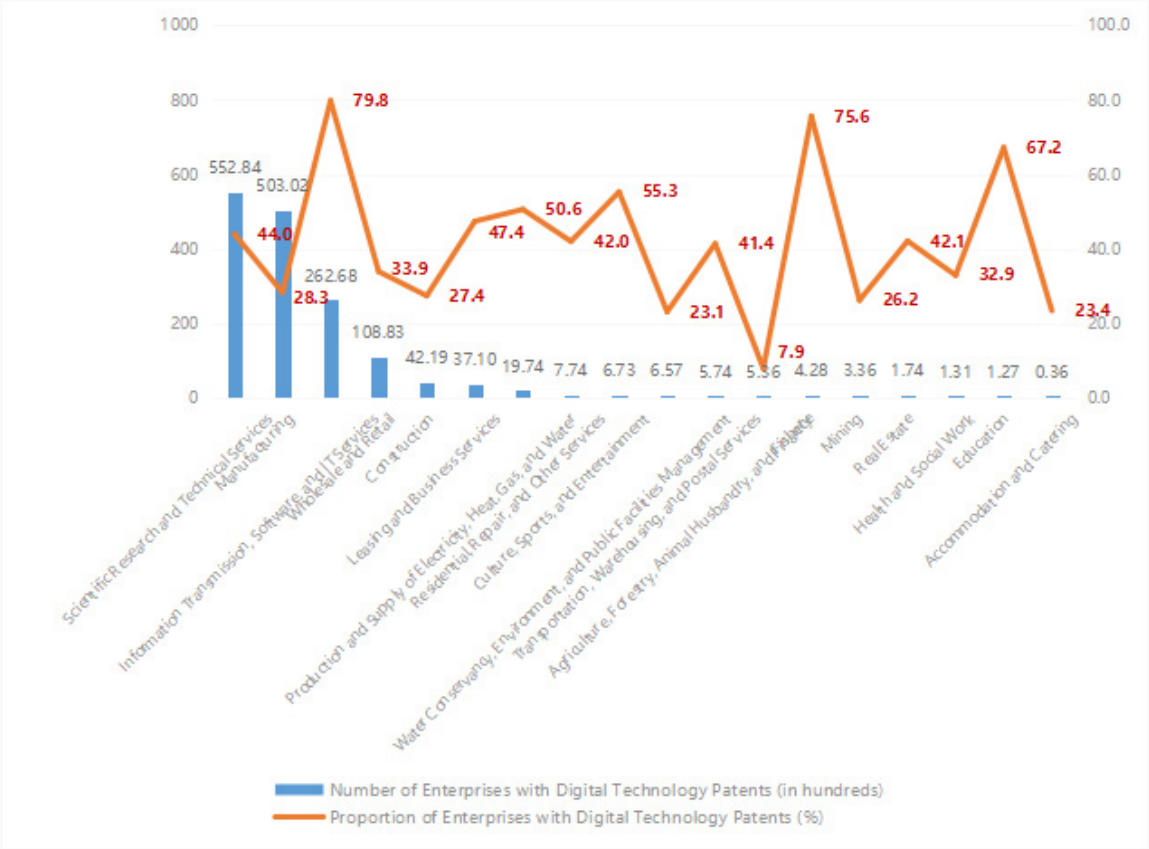

Figure 52: Sectoral Distribution of Enterprises in China Holding Digital Technology Invention Patents

2. Over 90% of Digital Technology Patents Are Obtained Through R&D

The Survey shows that 90.2% of digital technology invention patents are acquired through R&D—3.6 percentage points higher than the overall figure for all enterprises (86.6%). By sub-sector, over 90% of invention patents in the Internet of Things (IoT), Industrial Internet, Artificial Intelligence, and core digital economy industries are obtained through R&D. In contrast, the proportion for high-end chip technologies is 88.1%, slightly lower than in other technical fields. (See Figure 53)

Patent

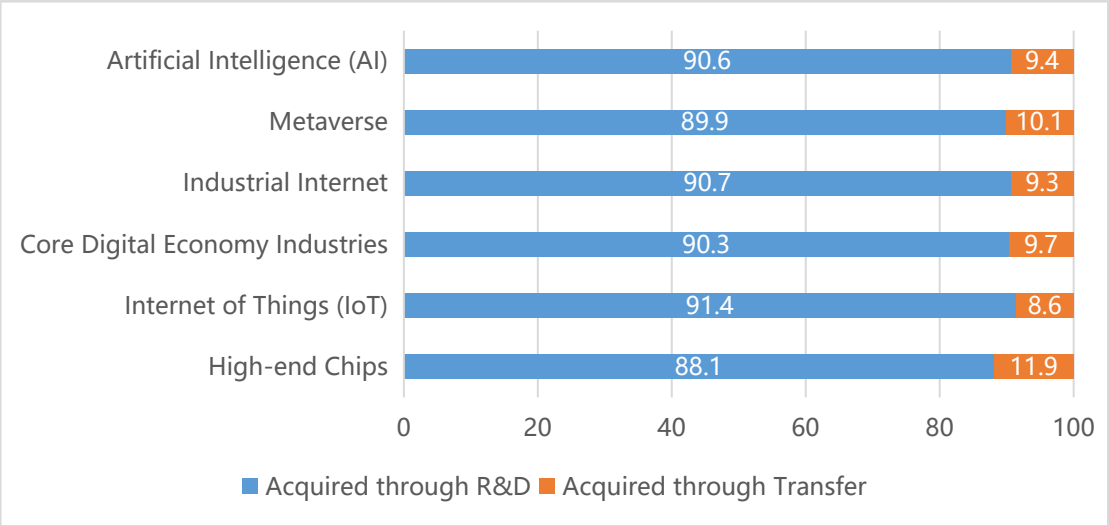

Figure 53: Distribution of Acquisition Methods for Digital Technology Invention Patents in China (Unit: %)

3. Over Half of Digital Economy Enterprises Engage in Industry–Academia–Research Collaboration

The Survey shows that 54.1% of enterprises in the digital economy collaborate with universities or research institutions on innovation. This figure is 13.1 percentage points higher than the overall rate for all enterprises (41.0%) and 16.7 percentage points higher than for enterprises outside the digital economy (37.4%). (See Figure 54)

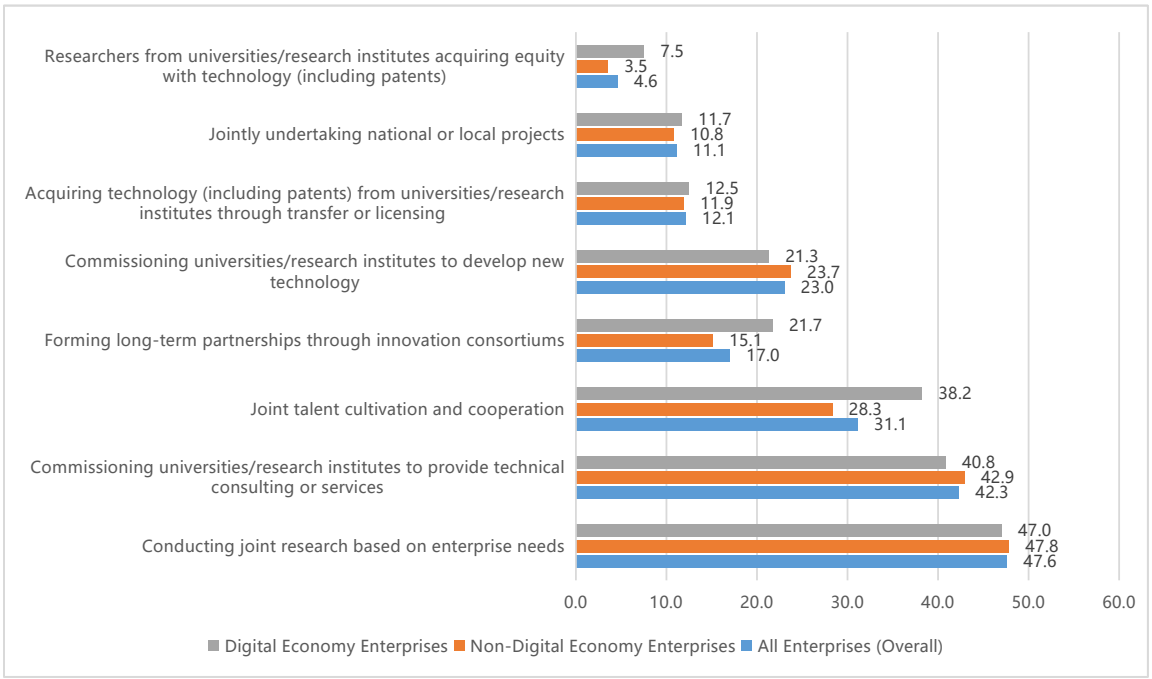

Figure 54: Industry-Academia-Research Collaboration by Chinese Digital Economy Enterprises (Unit: %)

4. More Than 80% of Industrialized Digital Technology Patents Support Own Brands

The industrialization rate for enterprises' digital technology invention patents stands at 51.0%, which is slightly below the overall average. Among industrialized digital technology invention patents, 84.9% are applied to own brands—5.7 percentage points higher than the corresponding figure for non-digital technology invention patents (79.2%), and 3.7 percentage points higher than the average for all industrialized invention patents (81.2%). (See Table 1)

Table 1: Utilization of Industrialized Invention Patents in China (Unit: %)

	Digital Technology Invention Patents	Non-Digital Technology Invention Patents	Overall
Applied to own brands	84.9	79.2	81.2
Used in contract manufacturing (OEM)	7.3	10.8	9.6
Other uses	7.8	10	9.2

(II) Digital Economy Enterprises Exhibit Relatively Strong Patent Protection Capabilities

1. Lower Incidence of Patent Infringement in the Digital Economy Sector

The 2024 Survey indicates that 7.3% of enterprises in China's digital economy sector reported experiencing patent infringement, which is 0.7 percentage points lower than the rate for all enterprises. Enterprises in this sector also demonstrated comparatively stronger capabilities in detecting potential infringement. (See Figure 55)

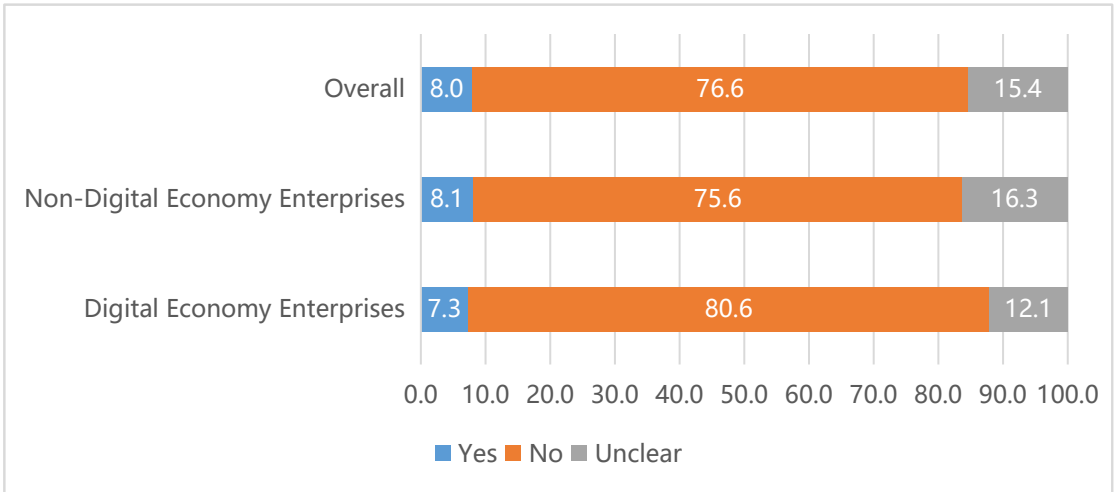

Figure 55: Chinese Digital Economy Enterprises Experiencing Patent Infringement (Unit: %)

Patent

2. More Proactive Responses to Patent Infringement

The Survey further shows that 92.3% of digital economy enterprises that experienced patent infringement took responsive action, a rate 10.1 percentage points higher than that of non-digital economy enterprises (82.2%). (See Figure 56)

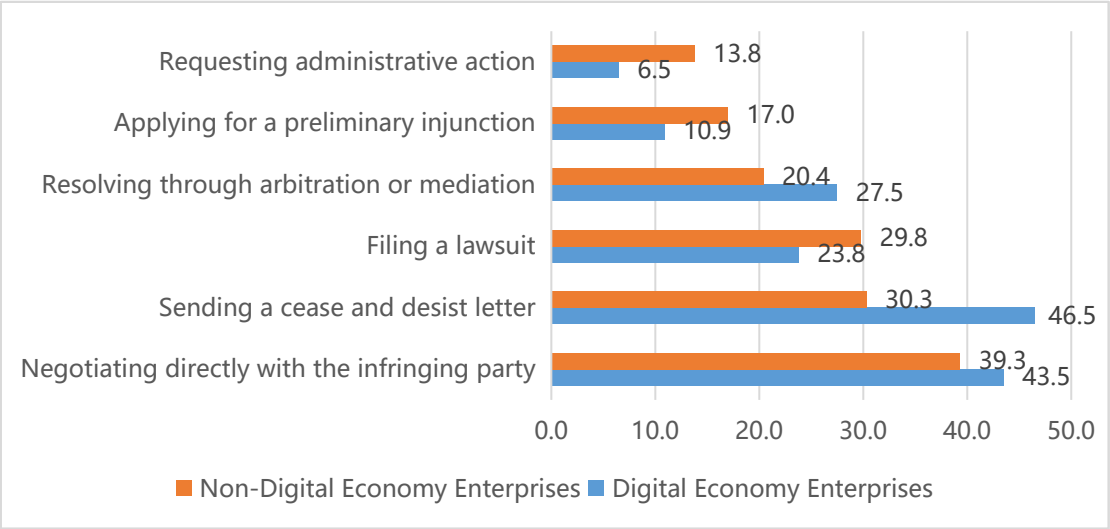

Figure 56: Enforcement Actions Taken by Chinese Digital Economy Enterprises against Patent Infringement (Unit: %)

3. High Difficulty in Identifying Patent Infringement

When asked about challenges in patent protection, digital economy enterprises most frequently cited "difficulty in identifying acts of patent infringement" and "high enforcement costs," with 48.2% of respondents selecting these issues. (See Figure 57)

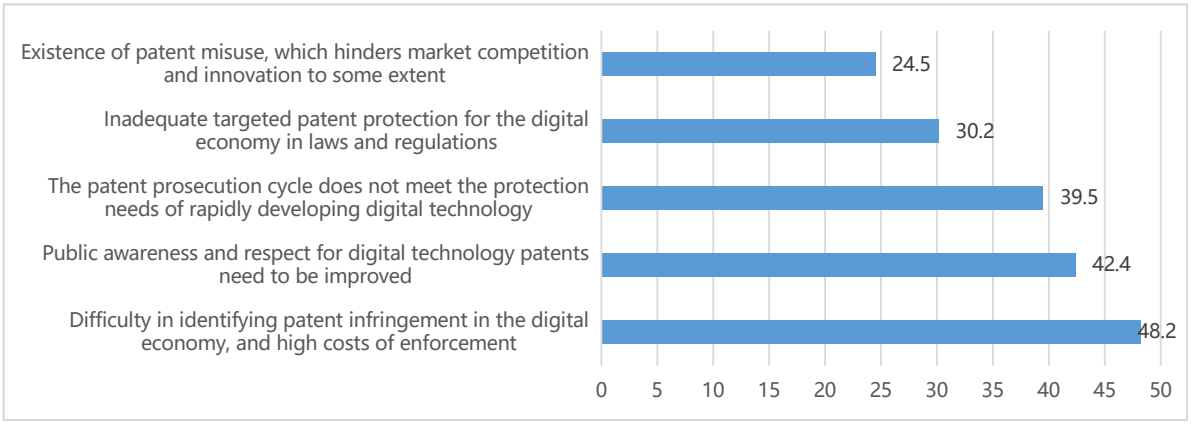

Figure 57: Key Challenges Faced by Chinese Digital Economy Enterprises in Patent Protection (Unit: %)

(III) Digital Economy Enterprises Face Greater Challenges in Technology Acquisition

1. Greater Difficulties in Overseas Technology Acquisition

The Survey indicates that enterprises in the digital economy sector face greater difficulties in acquiring technology from overseas. Among surveyed enterprises, 8.6% of those in the digital economy sector reported experiencing such difficulties—0.9 percentage points higher than the rate for all enterprises and 1.3 percentage points higher than for non-digital economy enterprises. (See Figure 58)

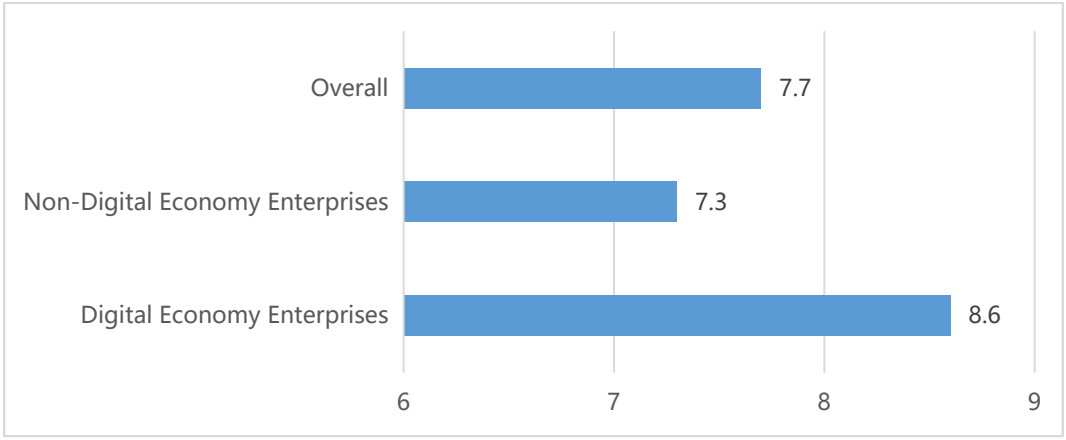

Figure 58: Difficulties in Acquiring Overseas Technology by Digital Economy Enterprises (Unit: %)

2. Greater Impact from Unfair or Discriminatory Treatment Abroad

The Survey also found that 7.8% of digital economy enterprises reported being affected by unfair or discriminatory restrictions overseas, a proportion 2.2 times higher than that of non-digital economy enterprises (3.5%). (See Figure 59)

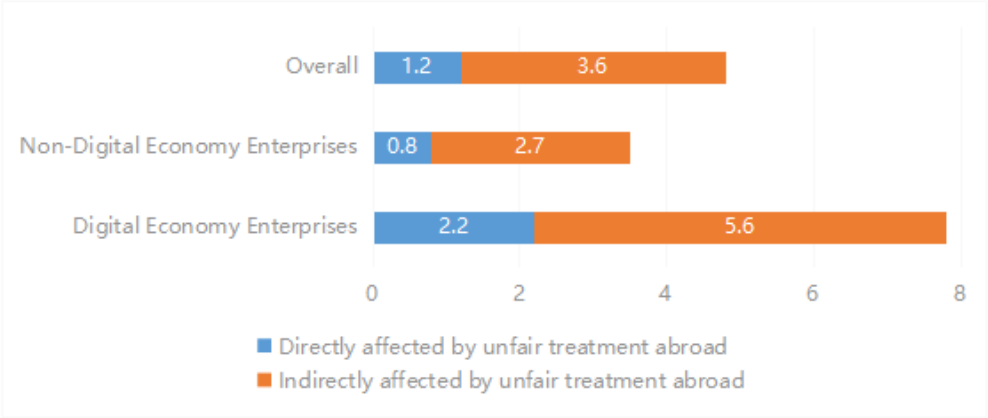

Figure 59: Impact of Unfair or Discriminatory Treatment Abroad on Digital Economy Enterprises (Unit: %)

By specific type of restriction, the proportions of digital economy enterprises reporting impacts exceeded those of non-digital economy enterprises in all categories. These included restrictions on the import of products and services (45.2%), controls on technology exports (34.1%), restrictions or prohibitions on commercial activities (27.9%), limitations in government procurement and spending (15.2%), and the tightening of telecommunications licensing or equipment authorizations (10.3%). (See Figure 60)

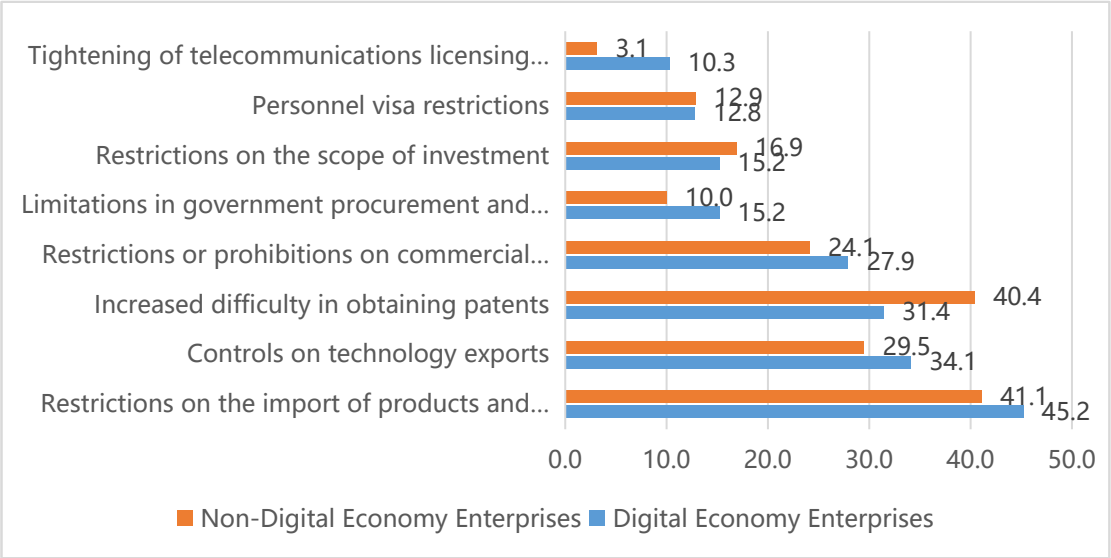

Figure 60: Impact of Unfair or Discriminatory Treatment Abroad on Digital Economy Enterprises (Unit: %)

(IV) High Incidence of Overseas IP Disputes Among Digital Economy Enterprises

1. Higher Proportion of Overseas IP Disputes

The Survey indicates that 4.4% of digital economy enterprises reported experiencing IP disputes overseas—nearly twice the proportion of non-digital economy enterprises. (See Figure 61)

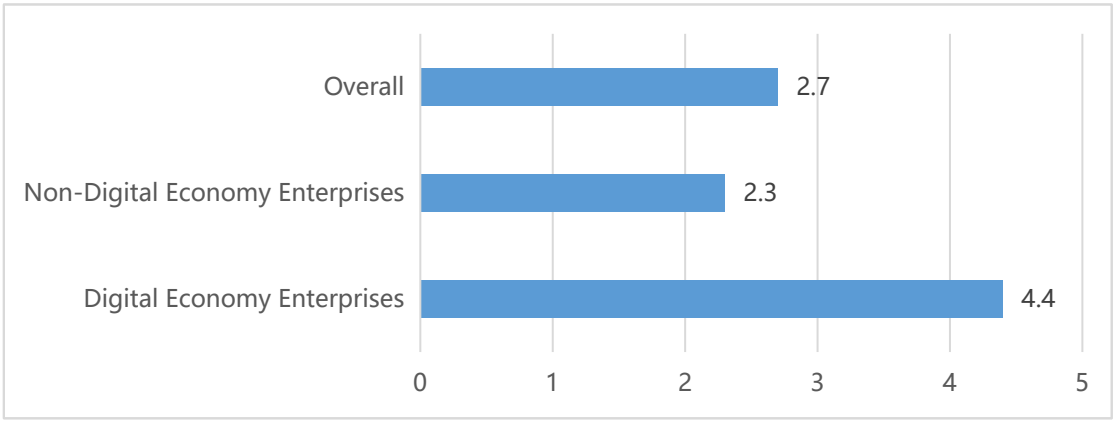

Figure 61: Overseas IP Disputes Experienced by Digital Economy Enterprises (Unit: %)

2. Concentration of Overseas IP Disputes in the U.S. and Europe

Overseas IP disputes involving digital economy enterprises are primarily concentrated in the United States and Europe, accounting for 74.7% and 37.0% of cases, respectively. (See Figure 62)

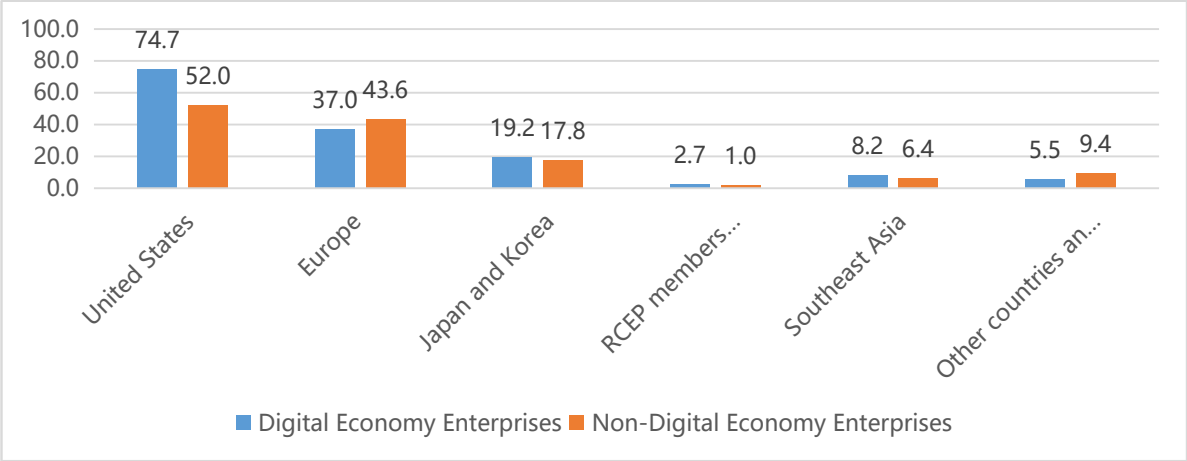

Figure 62: Countries or Regions Involved in Overseas IP Disputes Experienced by Digital Economy Enterprises (Unit: %)

An analysis of dispute types shows that litigation is the primary form of overseas IP dispute for digital economy enterprises, accounting for 78.1% of cases. In comparison, these enterprises face significantly more IP disputes related to trade investigations and customs enforcement—2.3 times and 2.7 times higher, respectively, than those faced by non-digital economy enterprises. (See Figure 63)

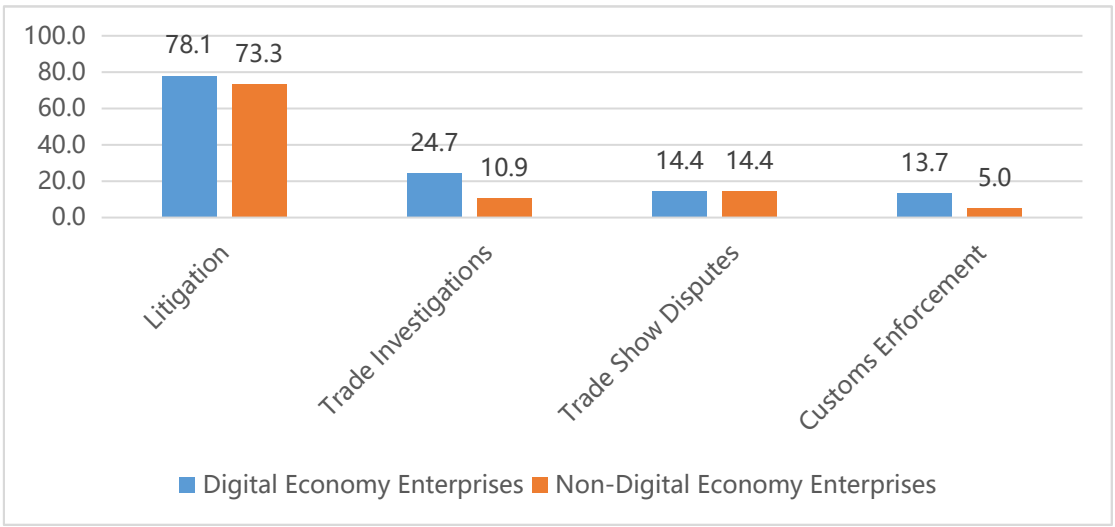

Figure 63: Types of Overseas IP Disputes Encountered by Digital Economy Enterprises (Unit: %)

Patent

3. Greater Demand for Guidance on Handling Overseas IP Disputes

Regarding the need for guidance in handling overseas IP disputes, 38.3% of digital economy enterprises reported requiring assistance, a rate 1.3 times higher than that of other enterprises. The types of disputes for which guidance is needed include litigation, trade show disputes, and "Section 337 investigations". (See Figure 64)

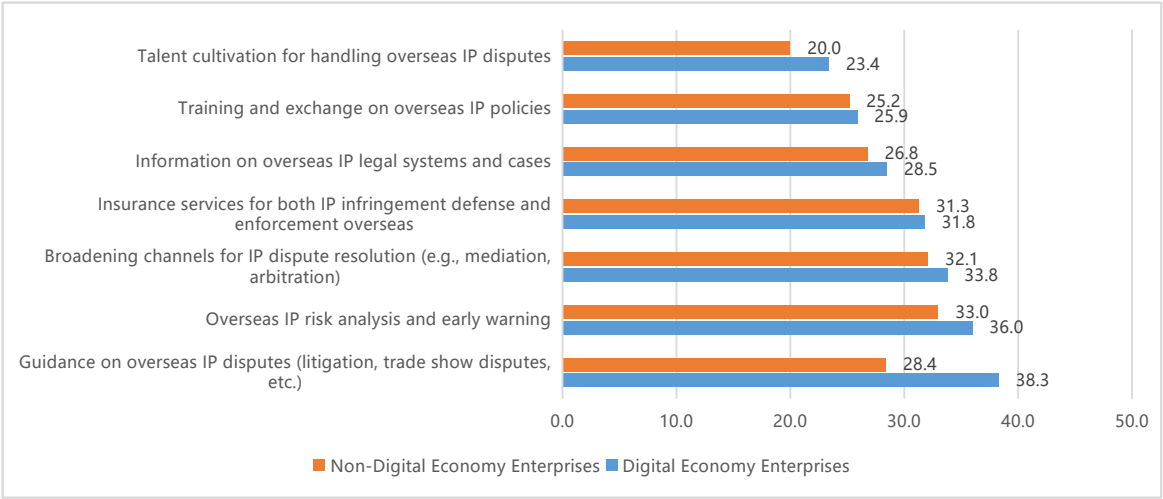

Figure 64: Support Required by Digital Economy Enterprises in Handling Overseas IP Disputes (Unit: %)

(Source: CNIPA)

Intellectual Property

Number of National-Level IP Protection Centers Reaches 80

The China National Intellectual Property Administration (CNIPA) recently approved the establishment of three new national-level IP protection centers in Jiangxi Province, Yichang City (Hubei Province), and Liuzhou City (Guangxi Zhuang Autonomous Region). These centers will provide expedited and coordinated IP protection services for industries such as advanced structural materials and next-generation information technology, chemicals and equipment manufacturing, and automobile manufacturing. **With these additions, the total number of national-level IP protection centers has reached 80, including 24 at the provincial level, extending the nationwide "fast-track" IP protection network across 29 provinces, autonomous regions, and municipalities.**

Once operational, the new centers will leverage their "one-stop" service platforms to integrate resources for IP protection, support the convergence of local innovation with industrial chains, and foster a favorable innovation and business environment. By enhancing technological innovation in regional industries and cultivating new drivers of productivity, these centers are expected to contribute to China's high-quality economic development through stronger IP protection.

(Source: CNIPA)

2025 WIPO Global Awards Announced: Chinese Companies Recognized for Fourth Consecutive Year

During the 66th session of the World Intellectual Property Organization (WIPO) Assemblies in Geneva, Switzerland, WIPO Director General Daren Tang presented the 2025 WIPO Global Awards. The ceremony honored ten companies for their outstanding contributions in leveraging intellectual property (IP) to drive technological advancement and sustainable development.

This year's Global Awards attracted over 780 SMEs and startups from 95 countries. Among the six Chinese companies shortlisted, Hangzhou Unitree Robotics Co., Ltd. was named a winner for its advanced robotics technology. The other nine awardees—from Singapore, India, Iceland, Sri Lanka, Chile, Switzerland, the United Kingdom, and South Korea—were recognized across five categories: health, environment, agri-food, creative industries, and information and communication technology (ICT).

Established in 2022, the WIPO Global Awards have now been held for four consecutive years. Designed specifically for SMEs and startups across industries, the Awards celebrate organizations and individuals that contribute to the global economy and society through the strategic use of IP. Chinese companies have been honored in every edition of the Awards to date, underscoring the country's growing innovation strength and dynamism.

(Source: CNIPA Official WeChat)