

China Development Forum 2021

China on a New Journey of Modernization

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Parallel Session I - Venue III

Intellectual Property Protection: Laying the Groundwork for the Innovation Economy

Moderator

Wang Guan, News Anchor, CGTN

Speakers

Han Xiucheng, Chief, Intellectual Property Development and Research Center, State Intellectual Property Office

Zhang Ping, Professor, Peking University Law School

Jeffrey Schott, Senior Fellow, Peterson Institute for International Economics

Li Tong, CEO and Executive President, Bank of China International Holdings (BOCI)

Joshua Cooper Ramo, Chairman and CEO, Sornay

Fu Yingbo, Partner and President, Megvii

Synopsis

As the foundations of the innovation economy, the amount and quality of intellectual property are key indicators of a nation or region's technological innovation capability and economic vitality. In this session, guests shared their insights and views on topics including implementation, application, and institution building for intellectual property protection, and offered related suggestions for businesses, governments and international organizations.

Zhang Ping shared her observations and understanding from three dimensions. First, she said, the relationship between intellectual property regimes and technological innovation is not direct or linear. Instead, intellectual property regimes encourage innovation by granting market entities the right of monopoly.

Second, the core purpose of an intellectual property regime is to enhance market competitiveness. In the early stages of their development in China, MNCs deployed a huge amount of intellectual property in the country, and took up large market shares.

Trademarks are a typical example, and Zhang Ping advised that in addition to patents and innovation capability, enterprises need to develop their own brands and sustainability mindsets. Only those with a vision to thrive for centuries are in a position to survive long-term market competition.

Third, she suggested, key indicators for intellectual property should be put in place, including the contribution of intellectual property to GDP and the number of practitioners in areas related to intellectual property.

Jeffrey Schott then addressed data sovereignty and regulation. Requirements to localize data, he noted, could harm innovation, limiting the efficiency of market operations and the scope of products and services. With governments introducing updated policies on data privacy, issues of how to facilitate cooperation to drive innovation through data sharing; promote information, knowledge and technology; and contribute to competitive, open and efficient markets, have become a key focus. Schott emphasized in conclusion the importance and necessity of ensuring mutual trust in digital trade. For example, he suggested the China-US Cyber Agreement passed in September 2015 could be the basis for both countries to work together as much as possible to achieve greater coordination.

Li Tong then proposed three areas in which the financial industry could support intellectual property protection. The first is to set up a dedicated institution for intellectual property evaluations to help improve how IP is priced. China has established several regional intellectual property trading centers to facilitate the conversion and application of scientific research results, he added. Second, achievements in technological innovation should be identified and cultivated, and initial funding be provided to empower technological innovation. Third, financial products related to intellectual property should be enhanced, and financing channels for innovation enterprises should be expanded.

Joshua Cooper Ramo then addressed cooperation between China and the US in intellectual property development in the context of bilateral relations. He proposed that both sides should start to discuss intellectual property protection and development, and share more information on research and development, healthcare, climate change and cyber security. Second, cooperation between the legal frameworks of different jurisdictions needs to be strengthened, including standards and rules for the use of intellectual property in AI, blockchain and other new technologies. Third, to establish a legal basis for the formulation of standards, the relationships between policies need to be considered and new ideas need to be promoted.

From an enterprise perspective, Fu Yingbo from Mengvii suggested intellectual property protections in emerging sectors such as AI, and new areas of business, should be strengthened, and that target requirements should be defined to create high-quality intellectual property clusters. AI could also be used to enhance the efficiency of intellectual property application, registration and review, he added.

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