The role of IP in economic development: the case of China

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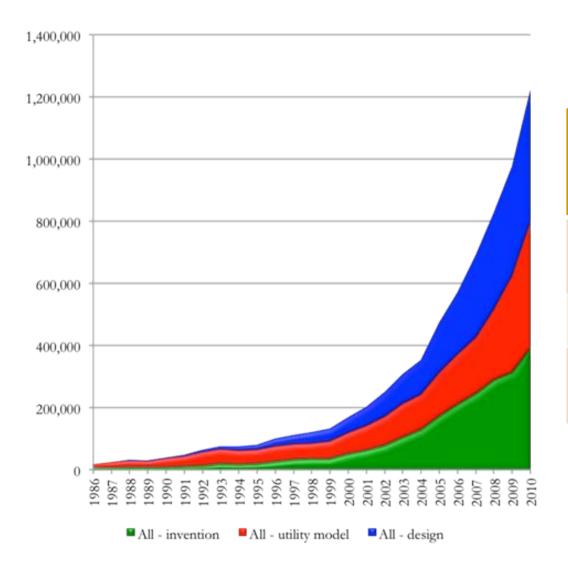
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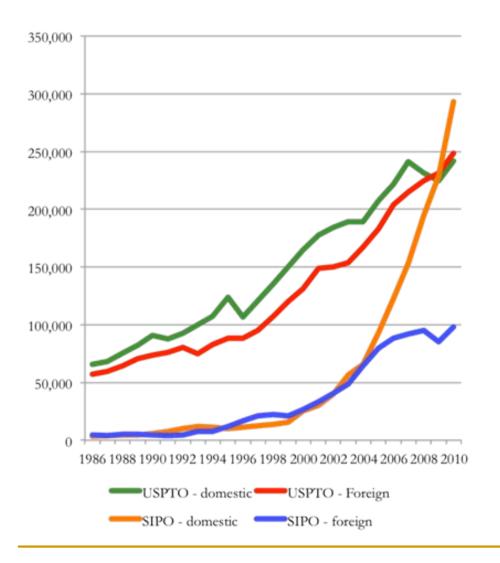
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China's patent explosion



Type of patent applications	Growth rate: 1986-2000	Growth rate: 2001-2010
Invention patents	13.3%	20.3%
Utility models	14.0%	18.2%
Design patents	29.3%	21.5%

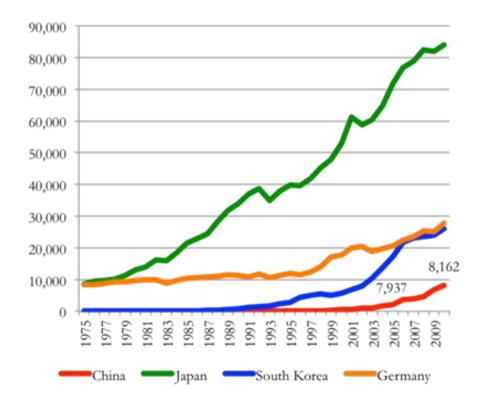
Patent explosions: U.S. and China



Invention patent applications	Growth rate: 1986-2000	Growth rate: 2001-2010
US - domestic	6.6%	3.4%
US - foreign	6.0%	5.7%
China - domestic	14.2%	25.3%
China - foreign	12.6%	12.1%

USPTO patent applications

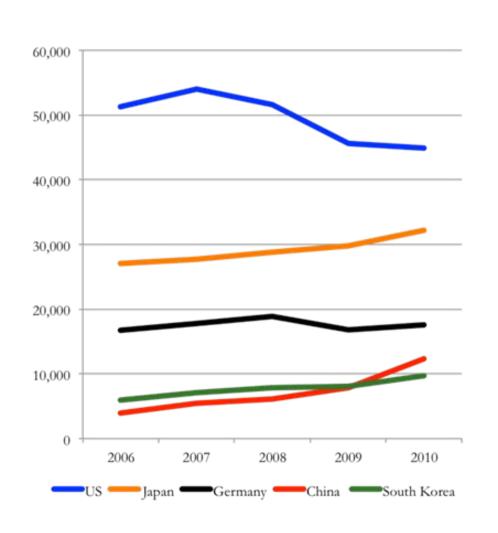
USPTO patent applications



China vs. South Korea

	China (2010)	S. Korea (2002)
USPTO applications	8,162	7,937
Growth rate (previous decade)	29%	17%
GDP per capita (2000 US\$)	2,433	12,478

PCT patent applications (WIPO, 2010)



Top applicants	Applications (2010)	Change from 2009	
Panasonic	2,154	263	
ZTE	1,868	1,351	
Qualcomm	1,677	397	
Huawei	1,528	-319	
Philips	1,435	140	
Bosch	1,301	-287	
LG	1,298	208	
Sharp	1,286	289	
Ericsson	1,149	-92	
NEC	1,106	37	

China's IPR regime (1)

- It looks good on paper...
 - Patent law (1984), copyright law (1990), trademark law (1982)
 - Member of/signatory to major IPR-related international organizations or treaties: WIPO, Berne Convention,
 Paris Convention, Patent Cooperation Treaty, etc.
 - □ Three amendments of China's patent law
 - 1992: extended to pharma & chemicals; longer duration
 - 2000: injunction and statutory damages; private enterprises
 - 2008: world-wide novelty standard

China's IPR regime (2)

- But the devil is in the enforcement...
 - Judicial vs. administrative enforcement
 - Regional variation and protectionism
 - Variation across IPR types
 - Most serious: copyright and trademark
 - Administrative capacity

regime (3): measurement

	1985	1990	1995	2000	2005
	1.33	1.33	2.12	3.09	4.08
Index	6.8	5.8	5.5	4.9	



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