China court hears more intellectual property cases

Christopher Bodeen, Associated Press
(AP) -- China says its campaign to tackle fakes and copyright theft is gaining ground, with courts accepting 40 percent more intellectual property cases last year.

A total of 42,931 intellectual property cases were accepted in 2010 with verdicts rendered in 41,718, the supreme court said in a report issued Tuesday. It put the total value of disputed intellectual property at almost 8 billion yuan ($1.2 billion).

"The substantial increase in intellectual property caseload shows that the courts have increasingly become the primary channel for resolution of intellectual property disputes," spokesman Sun Jungong said at a rare news briefing at the court's monumental headquarters just east of downtown Beijing's Tiananmen Square.

Cracking down on such violations has long been a key demand for foreign businesses in China, although the report said there was little change in the number of cases heard involving foreign entities.

China has struggled to deal with a culture of a rampant piracy and the widespread production of bogus goods. Trade groups say illegal Chinese copying of music, designer clothing and other goods costs legitimate producers billions of dollars a year in lost potential sales.

China's fledgling software, music and other creative companies have been devastated by unlicensed copying and the American Chamber of Commerce in China says 70 percent of its member companies consider Beijing's enforcement of patents, trademarks and copyrights ineffective.

Piracy is especially sensitive at a time when Washington and other Western governments are trying to create jobs by boosting exports. In 2009, the World Trade Organization upheld a U.S. complaint that Beijing was violating trade commitments by failing to root out piracy.

Chairman of the American Chamber of Commerce in China Ted Dean praised the report's release as a sign of greater transparency and said many of the group's members have reported "meaningful outcomes" from Beijing's ongoing crackdown on piracy.

But he said more needed to be done in toughening up legislation and enforcement.

"This continues to be a significant issue for many of our members and while we're encouraged, there's still much to be done," Dean said in a telephone interview.

China launched its latest crackdown on fakes in October, placing a rising

Communist Party star, Vice Premier Wang Qishan, in charge and setting up an enforcement office under the Commerce Ministry. Authorities have arrested more than 3,000 people and seized large amounts of fake or counterfeit medicines, liquor, mobile phones and other goods.

The supreme court said China's tort liability law, as well as stronger patent, copyright and anti-monopoly laws were proving effective in handling disputes.

Through stronger protection of intellectual property rights, China hopes to foster domestic innovation and spur efforts to transform China from a low-cost factory to a creator of profitable technology by nurturing companies in software and other fields.

Copyright disputes accounted for 24,719, or just over half, of all cases heard, an increase of 61.5 percent from a year earlier, the report said. A total of 1,647 cases involved overseas plaintiffs, a slight decline from past years, the report said.

More than half of copyright cases involve material published online, requiring the court to continually expand into new areas and set new precedents, said Kong Xiangjun, chief judge of the courts Intellectual Property Tribunal who also appeared at Tuesday's briefing.

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