



# IP NEWSLETTER

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## • **337 Investigations in the U.S.**

News Release 08-067

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### **ROGERS NAMED NEW ADMINISTRATIVE LAW JUDGE AT U.S. INTERNATIONAL TRADECOMMISSION**

Shara L. Aranoff, Chairman of the United States International Trade Commission (ITC), announced on July,7, 2008 that Judge Robert K. Rogers has been named an Administrative Law Judge at the ITC.

Rogers comes into his ITC's position with more than 20 years' law practice, both in the private and public sector. He holds a juris doctor degree from Brigham Young University's Clark Law School.

### • **In the Matter of CERTAIN BUFFER SYSTEMS AND COMPONENTS THEREOF USED IN CONTAINER PROCESSING LINES**

On July 3, 2008, Notice was given by the U.S. International Trade Commission (ITC) that ITC determined not to review the initial determination ("ID") (Order No. 26) of the presiding administrative law judge ("ALJ") in the Matter of CERTAIN BUFFER SYSTEMS AND COMPONENTS THEREOF USED IN CONTAINER PROCESSING LINES (Investigation No. 337-TA-609) terminating two respondents on the basis of a settlement agreement and license agreement and terminating the investigation.

The Commission instituted the investigation on July 5, 2007, based on a complaint filed by three companies from France, Canada, and Georgia respectively. On May 28, 2008, complainants

and the two remaining respondents, KHS AG and KHS USA, Inc. (collectively “KHS”), filed a joint motion for termination of the investigation based upon a settlement agreement and license agreement.

On June 11, 2008, the ALJ issued the subject ID, granted the joint motion and terminated the investigation. No petitions for review were filed and the Commission thereof determined not to review the subject ID.

### • **IP Strategy of Enterprises**

#### • Yunnan Actively Seeking Protection of KTV-related Copyrights

Well-known companies such as Beijing Thunderstone Technology Ltd., and SHINE Multimedia Co., Ltd. were investigated and then severely punished by Yunnan Municipal Bureau of Copyright for illegal copying and providing pirated song database.

Yunnan province has been leading in the protection of KTV-related copyrights. For example, twelve KTV enterprises from Yunnan province contracted with China Audio and Video Association on the issue of copyright fees in February, 2007, the first contract of the whole country; the first criminal case on the KTV-related copyrights occurred in Yunnan in the end of 2007; Yunnan was also the first province to release a reasonable pricing scheme on KTV-related copyrights in June, 2008..

Several key cities have hesitated to take proper measures to protect KTV-related copyrights. Yunnan needs more partners in the

fighting against copyright infringement.

## • IP Cases

### • Changyu Won the Trademark “Cabernet”

Recently, Trademark Appeal Board of State Administration for Industry & Commerce (“the Administration”) determined that Cabernet, a registered trademark, belongs to Yantai ChangYu Group Company Limited (“Chang Yu”). The 6-year dispute over the trademark “Cabernet” is now settled. This decision indicates that other wine-brewing companies could not use the word “Cabernet” any more.

#### Background:

This dispute focuses on the issue whether “Cabernet” is a trademark or a kind of grape.

ChangYu had registered “Cabernet” as a trademark. However, it was then cancelled in 2002 because several wine-brewing companies applied to the Administration for the cancellation “Cabernet” as a trademark. The reason of this cancellation was that “Cabernet” was the name of the raw material to produce red wine, not trademark. However, ChangYu claimed that Cabernet was in fact a trademark, as it had been created as a trademark since the 1930s, when the company was still in its infancy. ChangYu’s appeal led to victory.

## • **Trade News**

- China's Software Industry: Piracy Rate Down, Developing Speed Up

According to China Software Piracy Rate Survey Report of 2007 issued by Chinalabs.com, the software piracy rate dropped to merely 20% in 2007. Piracy was constrained for operating systems, generally the most seriously infringed upon area. The rate declined from 68% to 39%.

The innovation level of China's software industry has risen quickly, and software exportation has grown rapidly recently. According to authorities, the first four months of 2008 saw an increase of 54.9% in the software exportation over same period of last year.

## • **IP Cooperation**

- 130 Enterprises Exhibit in Hong Kong International Licensing Show

The Hong Kong International Licensing Show ("the show") opened recently in Hong Kong Convention and Exhibition Center and about 130 enterprises from 11 countries and regions participated in this show. The enterprises from mainland China, Taiwan, Thailand and Britain held their Exclusive Exhibiting Zone in the show for the first time.

This Show was hosted by Hong Kong Trade Development Council and sponsored by International Licensing Industry

Merchandisers' Association (LIMA). It exhibits more than 300 kinds of license projects and brands, covering many different industries.

Till now, Hong Kong's licensing market already maintains develop status in Asia and the licensed product market of the mainland is enjoying the highest growth speed in the world, with a total market value rising from 60 million in 2001 to more than 110 million USD in 2005.