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QUOTES

**On January 29, China celebrates the Spring Festival.
We congratulate everyone and wish you health and prosperity!**



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IP Investigation Reasons Regulations

SAMR jointly with the State Intellectual Property Rights Administration of China issued the Pilot Provisions on Possible Grounds for Initiating Investigations Related to Intellectual Property Rights. The provisions specify 98 possible grounds in 10 categories: 13 of which are related to general use of trademarks, 12 to trademark infringement, 24 to trademark agency services, 8 to trademark printed images, 6 to collective trademarks and certification marks, 6 to geographical indications, 7 to special symbols (Olympic, etc.), 8 to patent use, 12 to patent agency services, and 2 to other cases.

Source: SAMR

M&A Statistics 2024

In 2024, SAMR reviewed 643 economic concentration applications, of which 623 were approved without prescription, 19 were withdrawn by the applicants, and 1 (the acquisition of TATSUTA Electric Wire and Cable by JX Advanced Metals Corporation) was approved with prescription. Overall, the Chinese domestic M&A market saw continued growth, private companies' investment confidence increased, and transactions in industries such as water supply, electricity, gas, and finance became more active.

The total transaction amount of operators' concentration was about RMB 2.3 trillion. Domestic (Chinese) enterprises showed greater investment activity. 54% of the transactions were carried out by state-owned companies, and 39% by private ones. In terms of industry distribution, the largest number of transactions were in the manufacturing industry (about 34%); Other sectors with significant numbers of transactions include manufacturing, water, heat, electricity and gas supply, wholesale and retail trade, finance, transportation, real estate, information technology services and mining.

Source: SAMR

“Clean Plates” on Food Delivery Platforms

On the eve of the Chinese New Year, when the number of banquets and corporate events traditionally increases, SAMR reminded about the need to reduce food waste. In particular, the agency called on food delivery platforms to monitor their suppliers and insist on more verified purchasing volumes, rational storage and preparation of food. Platforms were recommended to display tips such as “Order in moderation” and “Save food” on restaurant pages, and continue to promote “small portions”. Consumers should order food within reasonable limits in accordance with their health status.

Source: SAMR

Antitrust Guidelines for the Pharmaceutical Sector

The Anti-Monopolistic Practices and Unfair Competition Commission of the State Council of the People's Republic of China has published the Anti-Monopoly Guidelines for the Pharmaceutical Sector. The Guidelines include:

- an explanation of the general principles of anti-monopoly regulation and enforcement in the pharmaceutical sector (factors for determining the relevant market, requirements for industry associations and business entities, including Internet platforms).
- a list of possible forms of anti-competitive agreements (typical horizontal and vertical agreements; the main ways of organizing and providing significant assistance in concluding anti-competitive agreements in the pharmaceutical field, conditions for exemption from liability);

- rules for identifying abuse of a dominant market position in the pharmaceutical field (factors to be taken into account when determining a dominant market position, common forms of abuse of a dominant market position in the pharmaceutical field);
- an analysis of cases of economic concentration of pharmaceutical companies and factors to pay attention to;
- description of relevant cases of abuse of power by administrative bodies in order to limit or eliminate competition in the pharmaceutical market;
- summary information on liability for anticompetitive behavior.

Source: SAMR

Fighting Commercial Bribery in the Pharmaceutical Sector

SAMR has published Compliance Guidance for Pharmaceutical Companies to Prevent the Risk of Commercial Bribery. The Guidance identifies nine potential commercial bribery scenarios (academic visits and exchanges, business receptions, consultancy services, outsourcing, discounts and commissions, donations, sponsorships and subsidies, free placement of medical equipment, clinical trials, retail sales). For each scenario, potential risk factors are identified and recommendations for their prevention are given. The document also provides compliance requirements, which are divided into the categories of “necessary”, “possible”, “recommended” and “encouraged”, and three risk categories are noted: “prohibited”, those that should be “avoided”, and “requiring attention”.

Source: SAMR

Transfer of Online Transaction Data to the Regulator

The draft Interim Measures on the Transfer of Online Transaction Data have been published for public consultation. This concerns information that suppliers of goods and services on platforms send to regulators upon request regarding any online purchase or sale activity. The Interim Measures distinguish four categories of information: personal information about the supplier, information about potential offences, information provided as part of cooperation in administrative investigations, and information about individual goods and services. The document provides characteristics for each category and sets out the principles for their transfer and processing.

Source: SAMR