

# CRA Insights: China Highlights



#### May 2015

Charles River Associates publishes *CRA Insights: China Highlights*, a newsletter from the Competition Practice focusing on competition topics in China.

#### Recent publications

#### **Clash of Titans: How China Disciplines Internet Markets**

**Sharon Pang**, with David Stallibrass, published an article in the *Journal of European Competition Law & Practice*. The article discusses the decision in *Qihoo 360 v. Tencent* by the Supreme People's Court of China. In key areas, such as the definition of the relevant market and the approach to assessing dominance, it sets a practical precedent that could be sensibly emulated by courts throughout China and, if desired, other jurisdictions. In the analysis of the factual evidence, however, the Court may have taken an overly simplistic approach to the interpretation of key data. To read the article, click **here**.

# Essential facilities doctrine and its application in intellectual property space under China's Anti-Monopoly Law

This article by **Elizabeth Wang**, with Yong Huang and Roger Xin Zhang, explores the development of the essential facilities doctrine and its potential applicability to intellectual property rights (IPR) matters. The authors also evaluate the unique challenges imposed by China's economic transition onto the balance of its IPR policy and competition policy. The article is forthcoming in the *George Mason Law Review*. To read an online version of the article, click **here**.

# Qihoo v. Tencent: economic analysis of the first Chinese Supreme Court decision under Anti-Monopoly Law

The SPC decision on *Qihoo 360 v. Tencent* marked its first ruling on a matter filed under China's Anti-Monopoly Law. This article, by Sharon Pang, discusses two key points in the SPC's decision: (i) the SPC's de-emphasis of market definition and market share in the assessment of dominance; and (ii) the effect-based analysis of market dominance conducted by the SPC which focuses on entry, direct evidence of competitive effects, and internet platform competition. To read the article, click **here**. Dr. Pang's views were also published in *Concurrences*. To learn more, click **here**.

#### Recent news

#### Elizabeth Xiao-Ru Wang testifies on antitrust enforcement in China

Elizabeth Wang was invited to testify before the U.S. – China Economic and Security Review Commission on the foreign investment climate in China. Dr. Wang provided background and context for China's Anti-Monopoly Law, its resources, and an overview of its enforcement in the last six years. To read more, click here.

#### **Upcoming events**

#### **Japan: Global Competition Law Forum**

Sharon Pang is speaking on the topic entitled "When Can Tying and Bundled Discounting Be Anti-competitive?" on May 21, 2015 at this Wolters Kluwer conference in Tokyo. She will also be a panelist on "Ask the Experts – Enforcement in Other Countries – Japan, India, HK, China, USA" at the same conference.

#### **Hong Kong Competition Commission**

On May 28, 2015, Sharon Pang is presenting to the professional staff of the Hong Kong Competition Commission on "Exclusivity Agreements and Potential Abuse of Substantial Market Power: A Case Study" in Hong Kong.

#### Recent events

# New Perspectives on Innovation and Intellectual Property Policy in China: What Does the Evidence Say?

On May 19, 2015, Elizabeth Wang spoke at a workshop on "Legal and Regulatory Context for China's Antitrust Enforcement" at the University of California, San Diego. Speakers explored the latest developments in the Chinese intellectual property domain and examined issues ranging from Chinese patenting data to antitrust enforcement activities and its implications for US and Chinese businesses.

# China's Evolving Anti-Monopoly/IP Interface: Implications for Innovation in China and Beyond

Elizabeth Wang was a panelist on the topic of China's Anti-Monopoly Law on May 7, 2015 in New York at Cravath, Swaine & Moore LLP. Panelists discussed the evolving application of China's Anti-Monopoly Law, and its impact on innovation and intellectual property in and outside China.

#### American Bar Association Section of International Law 2015 Spring Meeting

On April 29, 2015 Elizabeth Wang was a speaker on "Transborder Vertical Restrictions in IP Licenses Convergence or Divergence?" where she discussed the economic principles of retail price maintenance and the difference in enforcement in EU, the US, and China.

#### 63rd American Bar Association Section of Antitrust Law Spring Meeting

Elizabeth Wang was a panelist on the topic entitled, "Antitrust and IP in China: Quo Vadis?" on April 18, 2015. Panelists discussed recent cases and hot topics in China.

#### **CRA** and our China expertise

CRA combines deep knowledge of local laws and regulations with extensive experience in merger reviews in all major jurisdictions, including Asia, Europe, and North America. Many CRA economists have held leading positions in European, American, or Canadian government regulatory agencies. We offer firms with multinational interests a specialized point of contact in each region to coordinate the work of tightly integrated transnational teams. Read more about our China expertise here.

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