

## China's IP Trade Surges to \$59B

China's intellectual property royalties trade reached a staggering 425.35 billion Yuan (\$59 billion) last year, marking a 6.7% annual increase. What stands out even more is the pace of outbound growth: IP exports jumped to 26.3%, signaling that China is not just producing IP at scale it's getting much better at monetizing it globally.

According to the CNIPA, this momentum is tied to a deliberate push on patent commercialization since 2023. The approach has been practical: unlocking dormant patents, supporting SMEs, and strengthening key industrial chains. And the results are showing not just in policy documents, but in real economic output.

The link between IP and economic performance is becoming clearer. In 2024, China's patent-intensive industries generated over 18 trillion Yuan, making up 13.8% of GDP. This isn't a side project anymore, commercializing innovation is central to growth.

A big part of this push has been activating underutilized patents. Authorities conducted a nationwide inventory covering 1.349 million patents across 2,700 universities and research institutions. Of these, around 680,000 invention patents were flagged as commercially promising and matched with roughly 460,000 enterprises, helping bridge the gap between research and industry.

At the enterprise level, the impact is visible. Since the State Council's campaign on patent commercialization began, around 3,000 SMEs focused on patent industrialization have emerged. Many operate in hard-tech sectors, scaling quickly with stronger, more focused patent portfolios.

Simply put, China is moving beyond just building an IP base; it's learning how to extract real economic value from it. If the current trajectory continues, outbound IP commercialization is set to play an even bigger role in the years ahead.

