



Managing an IP Portfolio in China

Presented by Greg Brown

Managing Counsel, Intellectual Property

Ford Motor Company



FORD'S HISTORY IN CHINA EXTENDS OVER 100 YEARS



Deng Xiaoping visited US

1978



Changan Ford

2001



Lincoln China Launch

2014

Lincoln China Delivers 100,000th Vehicle

2017

China 2025 Plan
Zotye Ford JV
NTC opens

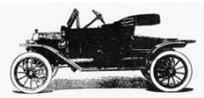


Letter to Henry Ford from Dr. Sun Yatsen

1924

1913

First Model T in China



Ford China established in Beijing

1995

1993

Appointed Retail Dealership

1997

First Transit from JMC



2002

China Sourcing Office

First Fiesta/Mondeo From CAF

2003

2005

FAFC (Ford Credit) CFME

NJ REC

2007

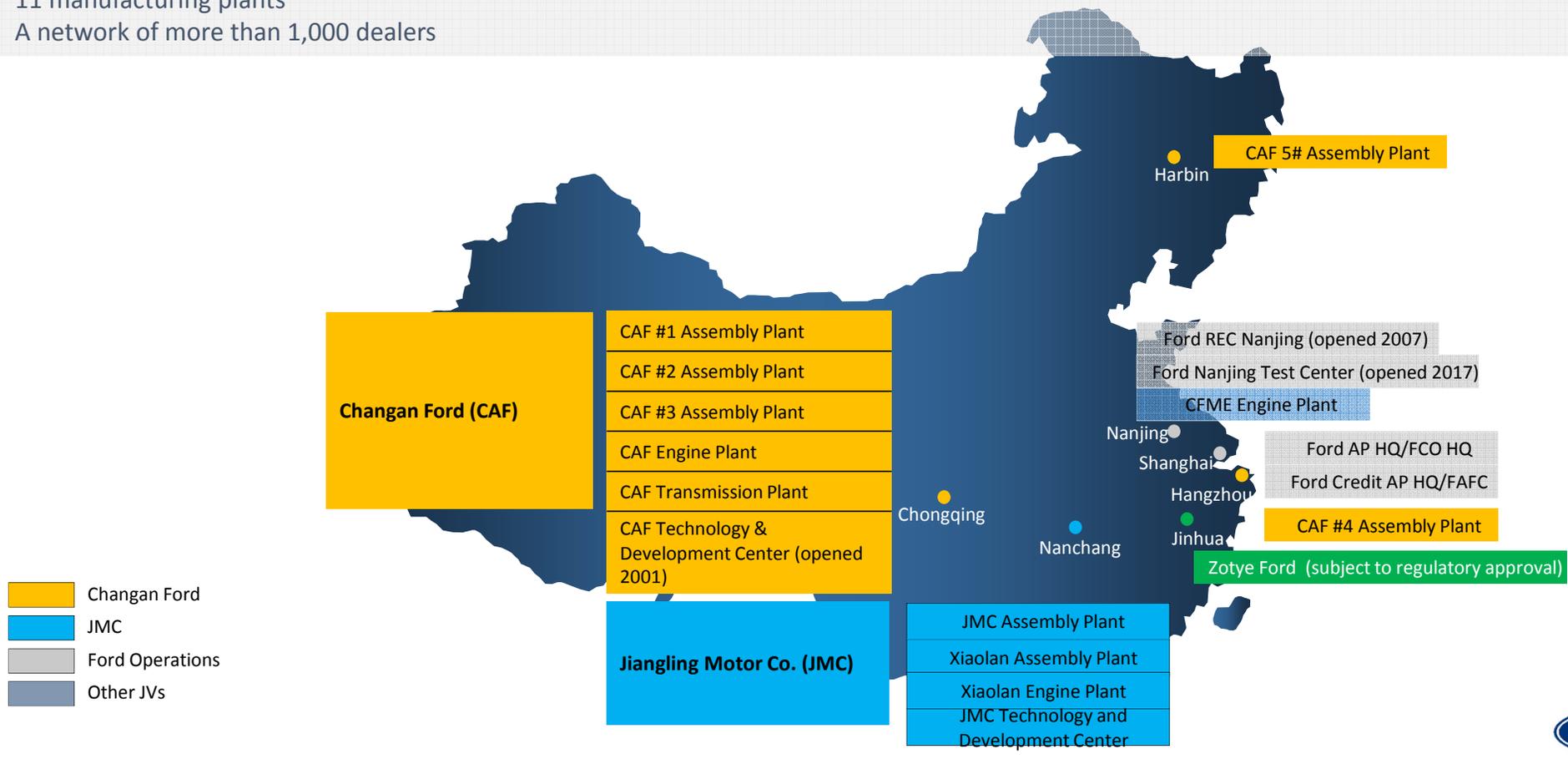
2010

1 Millionth Vehicle



FORD'S FOOTPRINT IN MAINLAND CHINA

- 42,000 employees spanning 4 joint venture partners
- Research and Engineering Centre (REC) in Nanjing – including a newly opened vehicle test center
- 11 manufacturing plants
- A network of more than 1,000 dealers



FORD'S CURRENT PRODUCT LINEUP IN CHINA



Escort
96,800 RMB



Focus
115,800 RMB



Focus ST
259,800 RMB



Focus RS
391,800 RMB



Mondeo/ Mondeo Hybrid
Mondeo Energi
179,800 RMB



Taurus
234,800 RMB

Starting at Prices

Imported from

(Europe)

(Europe)



Mustang
399,800 RMB



GT



F-150 Raptor
528,800 RMB



Ranger



Tourneo
176,900 RMB



New Transit
126,400 RMB

Starting at Prices

Imported from

(US)

(US)

(US)

(Thailand)



EcoSport
79,800 RMB



Kuga
169,800 RMB



Edge
229,800 RMB



Everest
265,800 RMB



Explorer
449,800 RMB

To be launched in 2018

Imported

Starting at Prices

Imported from

(US)



LINCOLN'S CURRENT PRODUCT LINEUP IN CHINA



Lincoln Navigator

1,128,000 RMB



Lincoln MKX

284,800 RMB



Lincoln MKC

298,800 RMB



Lincoln Continental

398,800 RMB



Lincoln MKZ
/MKZ H

284,800 RMB

Starting at Prices

All Imported from North America



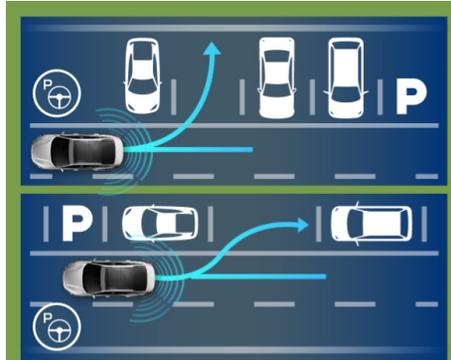
NEW FOCUS FIRST VEHICLE IN CHINA TO COME WITH CO-PILOT360 TECHNOLOGY

Continuing to set the benchmark in its segment for ingenious technology, the all-new Ford Focus will be the first vehicle in China to come equipped with Ford Co-Pilot360™, a segment-leading suite of advanced driver-assist technologies to help people drive more safely and confidently.



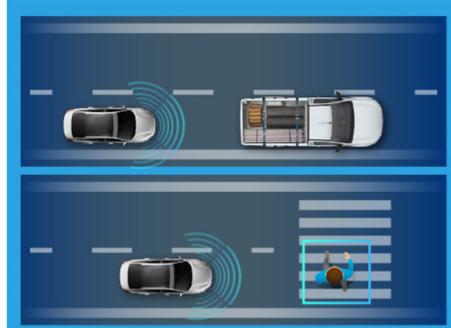
Adaptive Cruise Control with Stop & Go and Lane Centering

Your mind starts to drift while driving – and your car starts to drift, too. This tech helps you stay in the center of your lane, cruise at a set speed and maintain a safe following distance.



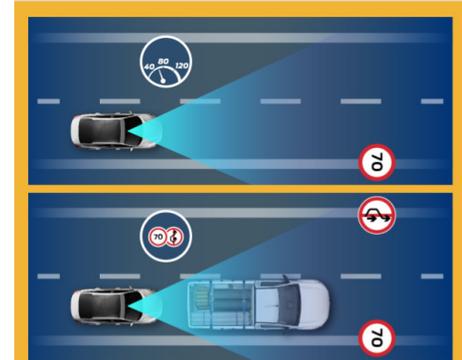
Fully Automatic Parking Assist

Take the guesswork – and frustration – out of parking! With the touch of a button, tight parallel and perpendicular spaces are no challenge for Fully Automatic Parking Assist.



Pre-Collision Assist with Pedestrian Detection

A distracted driver brakes suddenly in front of you. But don't worry, this helpful tech has already scanned the road ahead and can apply the brakes autonomously to avoid a collision.



Traffic Sign Recognition

Getting a ticket at the end of a long day because you missed a Speed Limit or No Passing sign is a thing of the past with Traffic Sign Recognition, which sees the signs that you may miss.



FORD'S AMBITIOUS ELECTRIFICATION PLAN FOR CHINA

MONDEO
ENERGI



2018

Ford's first PHEV, the Mondeo Energi, went on sale in March.

FordPass

- Battery status check
- Public charging station locator
- Remote start
- Smart connectivity: embedded modem technology as standard with WiFi hotspot for 10 devices

By 2020

Deliver the company's first global full battery electric performance SUV that offers a range of more than 450 kilometers. This SUV will be manufactured in China.

By 2025

15 All-new electrified vehicles from Ford and Lincoln

70% of Ford nameplates in China will have electrified options, including 100% of those made by CAF

To make this possible, Ford is investing **USD\$11 billion** globally from **2015** to **2022**



PARTNERSHIPS IN CHINA – EXPLORING OPPORTUNITIES IN MOBILITY

- In July 2017, Ford elected to participate in Baidu's Apollo open platform for autonomous vehicle development
- In December 2017, Ford and Alibaba signed a Letter of Intent to jointly explore areas of cooperation in connectivity, cloud computing, artificial intelligence, mobility services and digital marketing.
- On March 26, 2018 Ford partnered with Tmall for its first real Super Test Drive flagship store in Guangzhou in an exclusive way for the first month. The Tmall Super Test Drive service is one of the partnership's key digital marketing initiatives.



1 of 9 Ford Global PD Centers

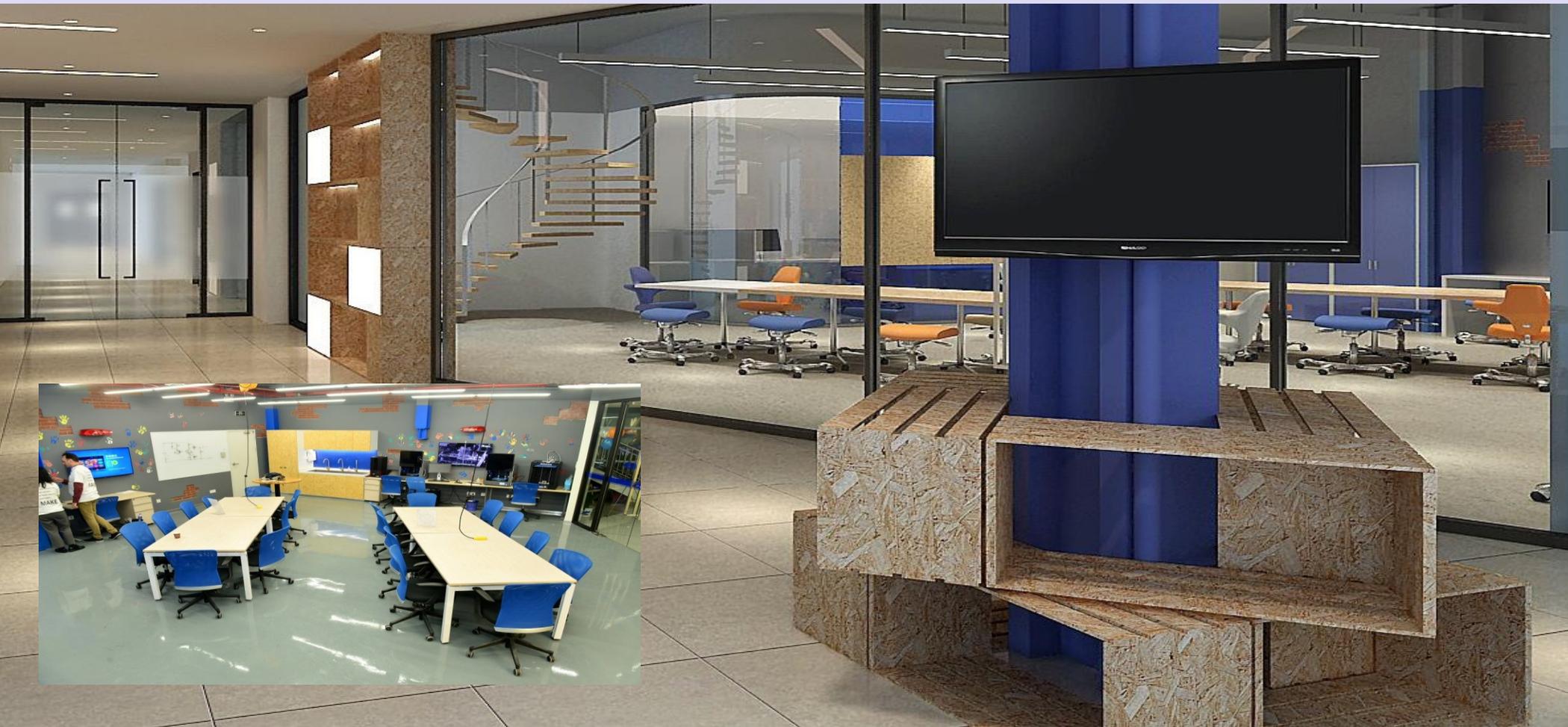


REC

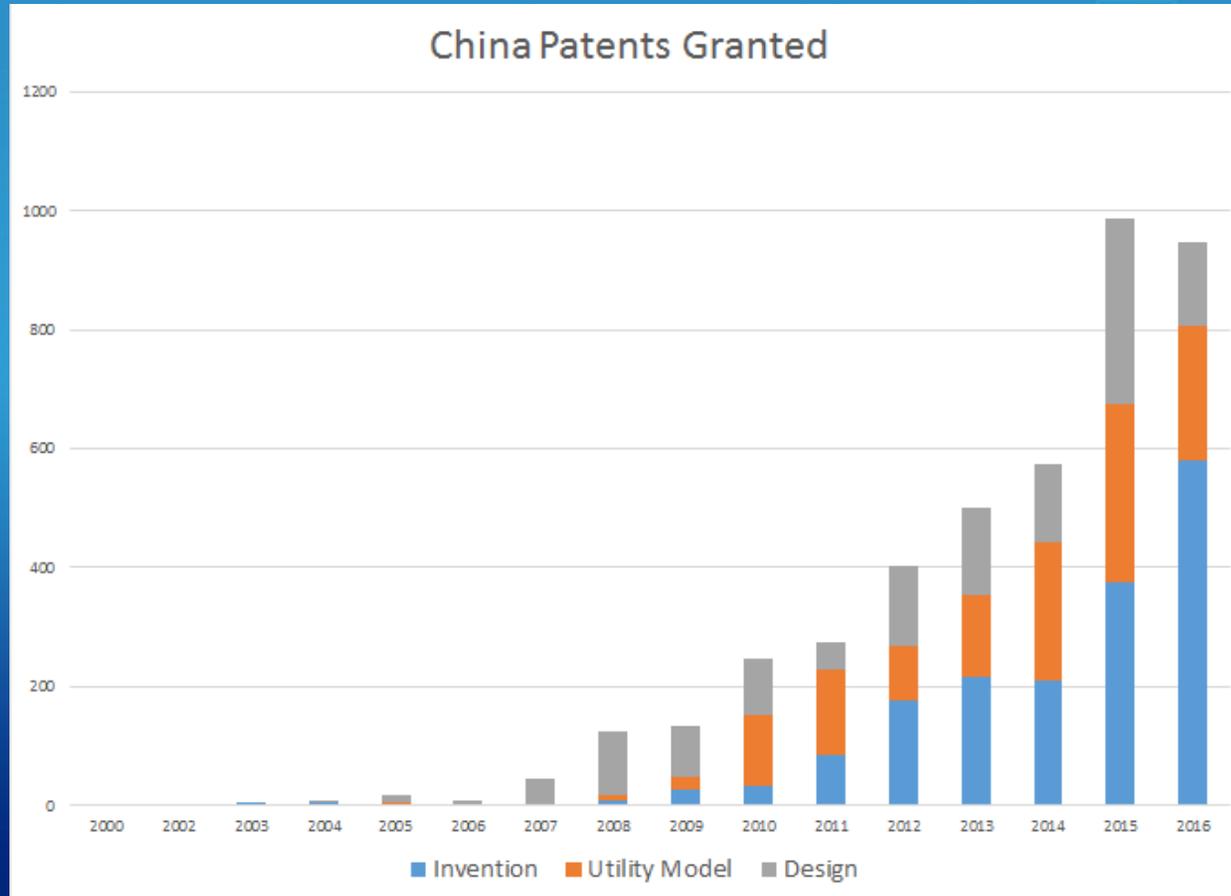
10 Years of Growth

2100+ Employees

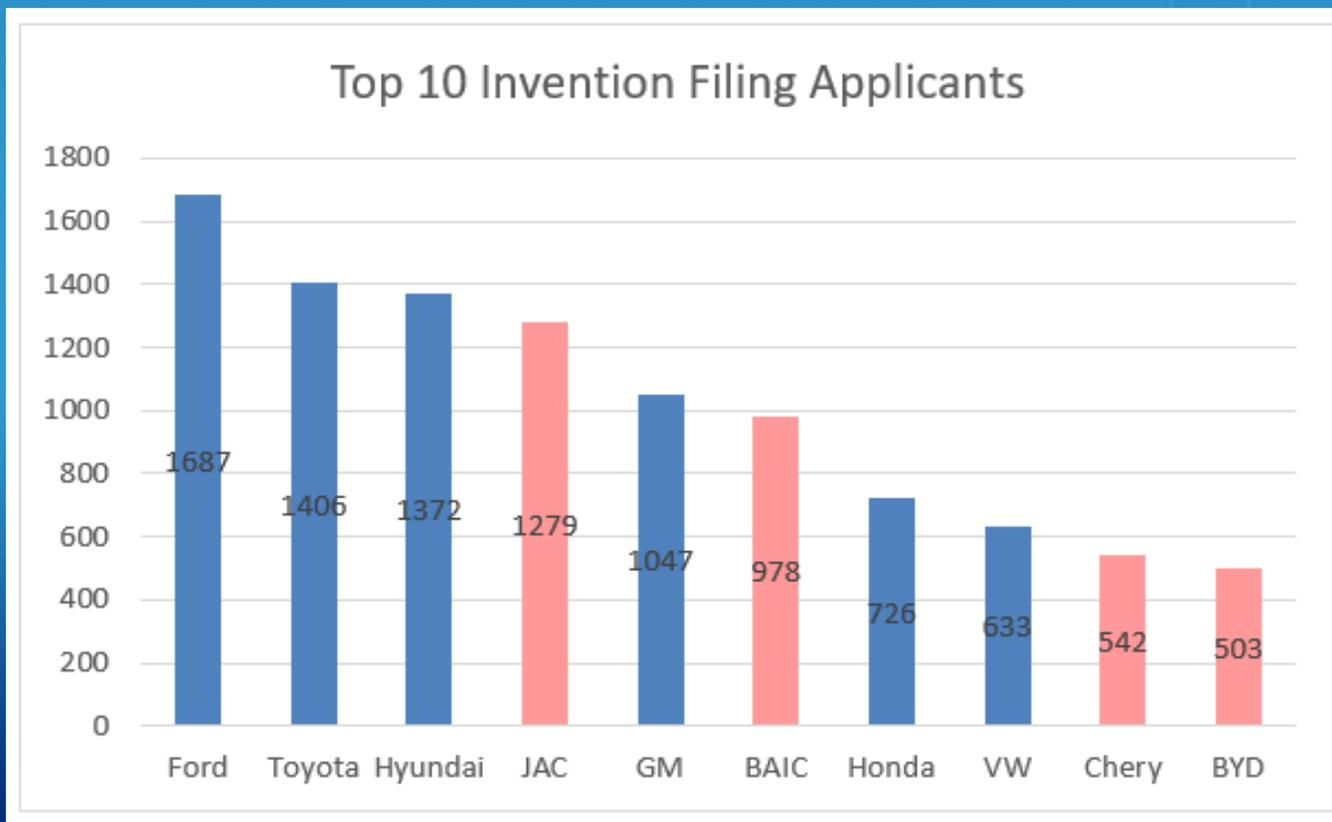
MAKER SPACE: ENCOURAGING INNOVATION



TREND IN FORD INVENTION, UTILITY MODEL AND DESIGN PATENTS

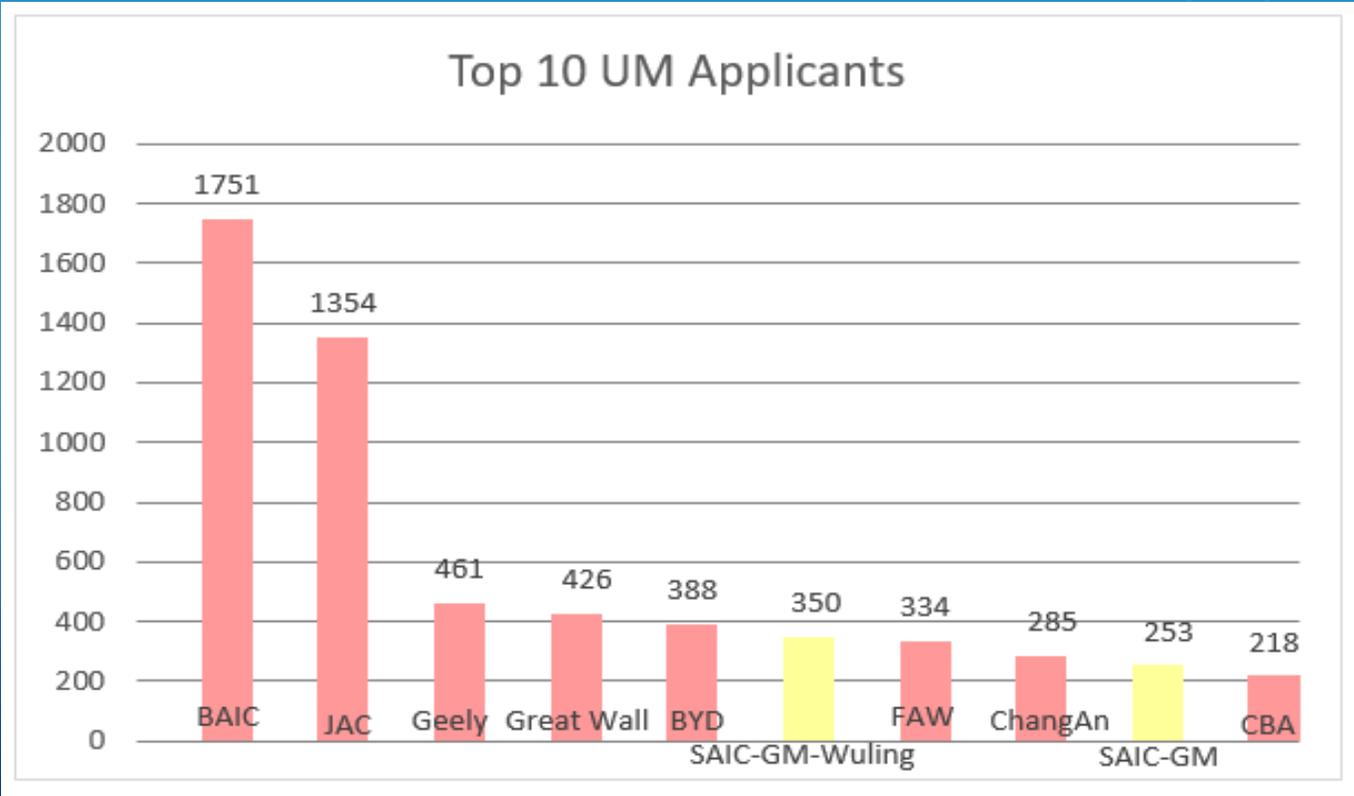


MONITORING THE PATENT ENVIRONMENT (INVENTION)



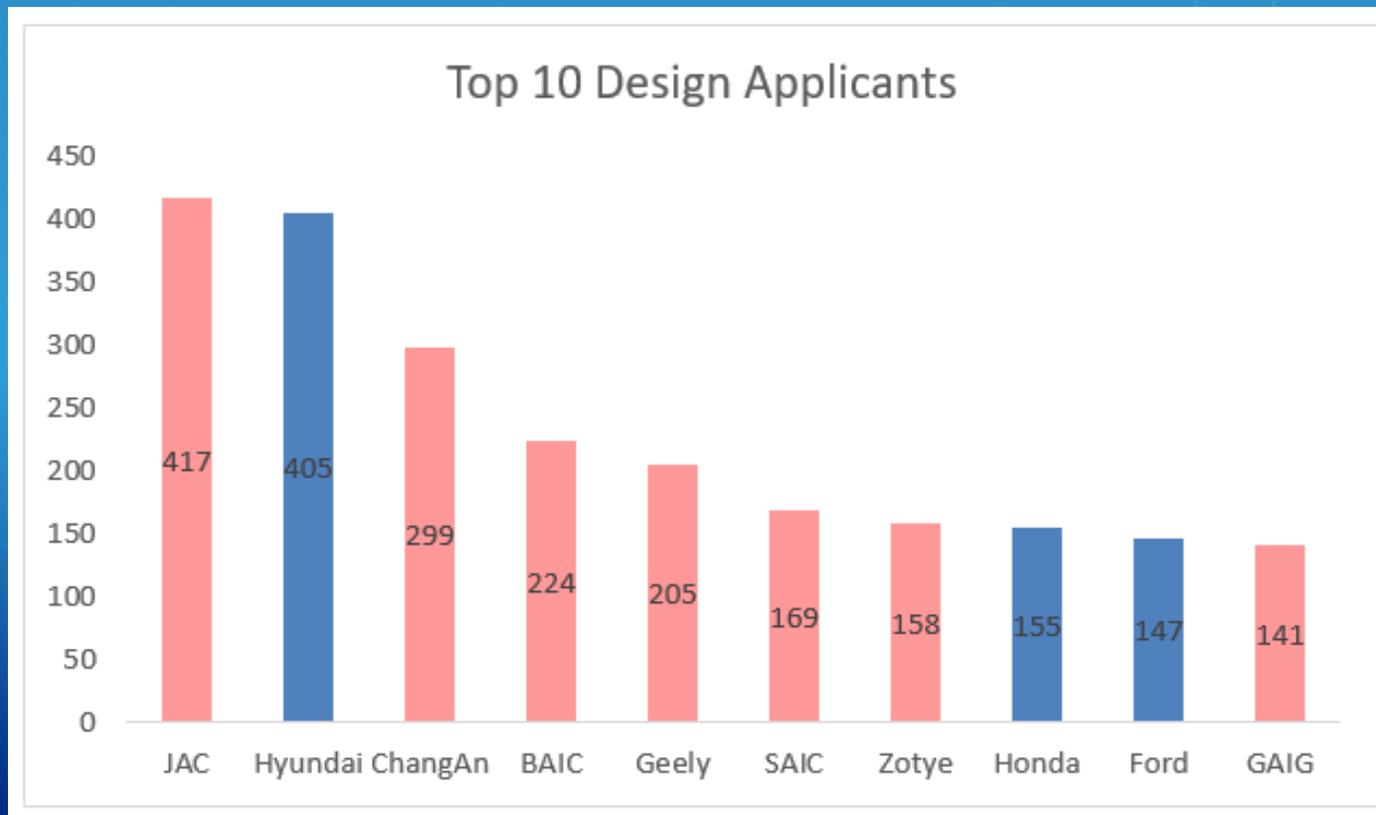
MNCs continue to lead Top 10 Invention applicants

MONITORING THE PATENT ENVIRONMENT (UTILITY MODEL)



No MNC among Top 10 UM filers

MONITORING THE PATENT ENVIRONMENT (DESIGNS)



Local companies leading MNCs in Top 10 design applicants

CHINA HAS MADE GREAT STRIDES IN IMPROVING IP RIGHTS

Why China Is A Good Place For NPEs

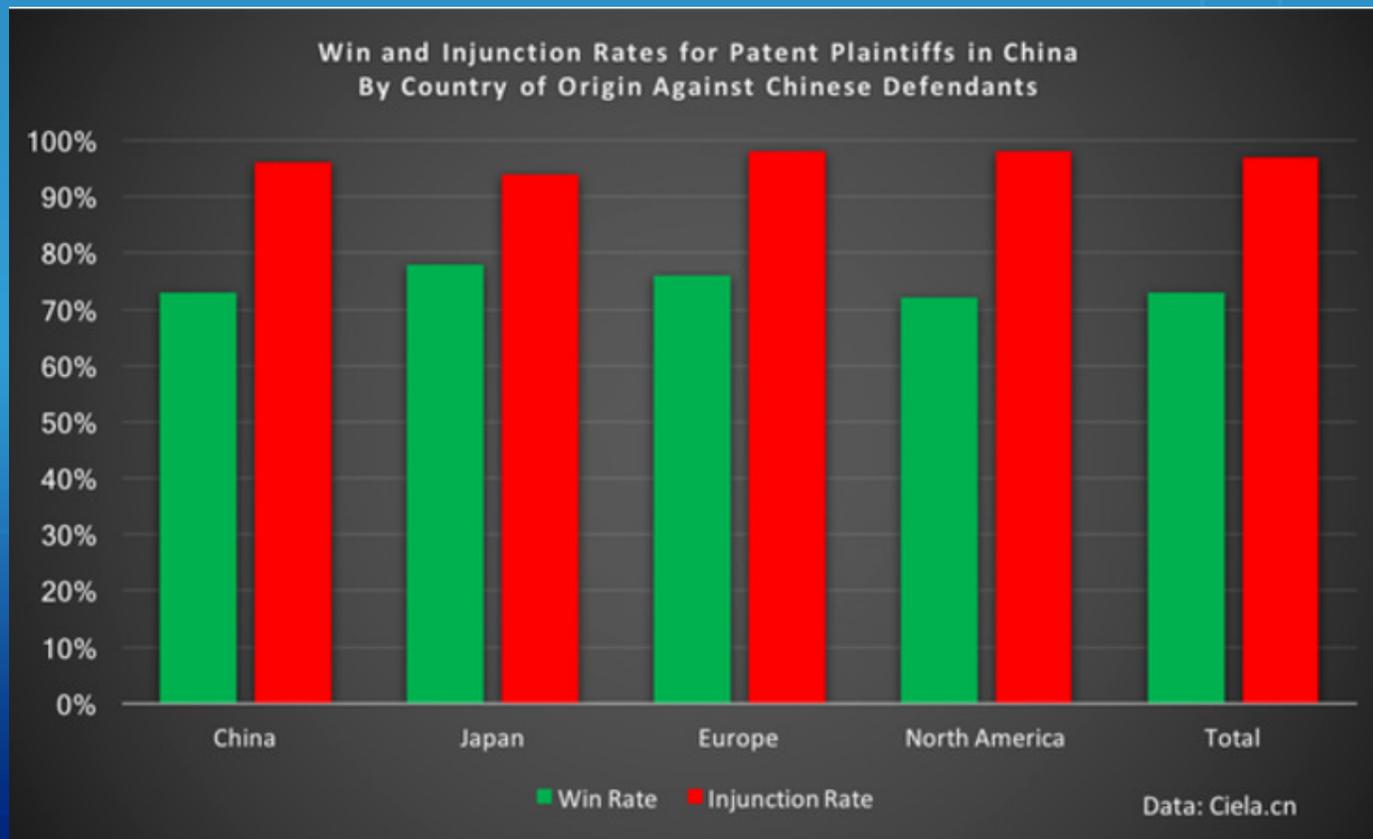
March 13, 2017, 4:40 PM EDT

In the Law360 guest article "**What To Expect From NPE Activity In China**," published on March 9, the author, Jackie Wong, addresses an important topic. However, his conclusion that China will see little nonpracticing entity activity over the next five years is short-sighted. I currently represent several NPEs in China, and my view is quite different. The purpose of this article is not to substantively rebut any "NPEs are evil" arguments but rather provide a different perspective on "what to expect from NPE activity in China."



Erick Robinson

INJUNCTIONS FOR EVERYONE!



www.law360.com/ip/articles/901301?utm_source=shared-articles&utm_medium=email&utm_campaign=shared-articles

ENFORCEMENT COMPARES FAVORABLY WITH OTHER REGIONS

Advantages of Patent Litigation in China

- High win rate (up to 75%)
- Foreign patentees win more than domestic patentees
- Virtually guaranteed injunctions (95%)
- Short time from filing to trial/judgment (< 1 year)
- Sparse discovery
- Low cost (<1/10 the cost of US litigation)
- Validity challenges are rarer than in the US and are often not complete until after judgment and injunction are issued
- Huge Chinese market: because what is not sold in China is made there, can effectively ban sales around the world through a single litigation
- Specialized IP courts
- Judges take pride in skill and fairness
- Judges use technical advisors
- Although a civil law system, judges generally respect prior decisions

BUILD A STRONG AND COST EFFECTIVE PORTFOLIO



Build a local team!



All forms of protection

Trademarks
Copyright
Invention
Utility Models
Design



Carefully manage your quality

Translation quality
Glossary of Key Terms
Advocacy



Carefully manage your costs

Acquisition and Maintenance