2023 Updates & Analysis

Weixin Brand Protection



Weixin IP Protection: A Year in Review

Weixin is a multifaceted communication service that bridges private interactions and public discourse through features like direct messaging, group chats, Official Accounts, and third-party Mini-Programs. Many of the world's leading brands not only collaborate with Weixin through our Brand Protection Platform (BPP) but also choose Weixin as a vital channel for engaging directly with consumers, demonstrating the dual value Weixin offers in terms of protection and connection.

In 2023, we have strengthened and advanced new measures to safeguard the service against illicit activity in violation of our terms of service, including specifically counterfeit activity, ensuring a safe and trustworthy environment for our users and partners.

Innovative Solutions for a Secure Platform: In light of the unique nature of the communication service, Weixin has developed innovative solutions to minimize instances where counterfeit goods can be advertised or offered for sale. Weixin's policies prohibit counterfeit trade and violations are effectively addressed through a combination of proactive screening tools, seller certification procedures, a system architecture that empowers users to self-report violations, takedown notice mechanisms, and other enforcement tools and penalties.

Private Features: For private features such as individual chats, group chats, and personal "moments," the Weixin service provides robust user-generated, crowd-sourced reporting of any suspected counterfeiting activity. These so-called "leads" are shared with BPP members and serve as a signal to all users that illicit activity, even within private features, is prohibited and will be subject to

appropriate action. Over the past year, Weixin has continued to enhance the user-generated reporting system, as well as ensure that appropriate penalties are implemented.

Public Features: The BPP system also provides actionable insights for brands across public features, ensuring that violations in Channels, Official Accounts, and Mini-Programs are promptly addressed. Reflecting conversations with stakeholders, we have increased proactive measures, stepped-up offline criminal investigations, and launched a new Channels ID system to enhance the ability to monitor and act against illicit activities within Channels accounts.

In reflecting on the strides we've made this past year, we're proud to present a summary of our 2023 efforts. This overview not only showcases our innovative approaches to safeguarding our platform but also highlights our collaborative successes with global brands in fostering a secure and vibrant community. We welcome your feedback and suggestions which can be shared with your BPP contact or sent to notice_wxpbr@tencent.com.



Huang Hanzhang

Deputy Director, Weixin Legal Center Head of Brand Protection Platform, Tencent



Danny Marti

Head of Global Public Policy, Tencent





Brands can access, submit and review leads through one portal for personal accounts,
 Channels, Official Accounts, and Mini-Programs.

Proactive BPP Measures

- Keyword interception in applications from potential advertisers (requires advertisers to provide proof of IP authorization if brand-related keywords are triggered).
- Block user access to infringing Mini-Program content (on third-party servers).
- Monitoring and removal of infringing livestreams, short videos, and other content of Channels.



Higher Quality Crowd-Sourced Reporting for Chats and Moments

- Brands reviewed 67% of user leads in 2023, up from 29% of leads in 2020.

Increased Transparency

- Brand owners can review the level of penalties imposed on infringers.
- Channels ID numbers now publicly available for facilitating investigations.
- **Strengthened Enforcement**
- Online enforcement: Higher enforcement numbers coupled with application of higher penalties.
- Offline cases: Up tenfold in 2023 compared to 2021.

2023 Key Metrics

Crowd-Sourced Leadsin Private Features

Reviewed by Brands

189,984

97% of notices originated from Weixin users, not brands, reflecting a strong IP enforcement ecosystem supported by in-app IP education and robust reporting features

Percentage of Infringement Leads

67%

Up 29% from 2020

Suspended/Terminated Personal Accounts

8,731

Up 300% from same period (January to August) in 2022

Proactive Actions Account for Large Share of Enforcement in Livestreams

76,390

6X greater enforcement volume commenced by Weixin (over takedown notices)

Personal Account Enforcement Actions

26,866

Up 365% from same period (January to August) in 2022

Criminal Cases

24

\$260M in case value, up from \$42M in 2022

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Section 1

Overview of Brand Protection on Weixin

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React is pleased with the significant improvements Tencent has made on the Weixin platform regarding brand protection. The BPP team is engaged and responsive, and the volume of infringements seen by React members on the platform has notably decreased in recent years following Tencent's increased efforts to tackle counterfeiting. We are looking forward to a continued strong partnership going forward."

Ronald Brohm
Managing Director at React,
The Anti-Counterfeiting Network

About Weixin

Weixin Connects Users with Content and Services





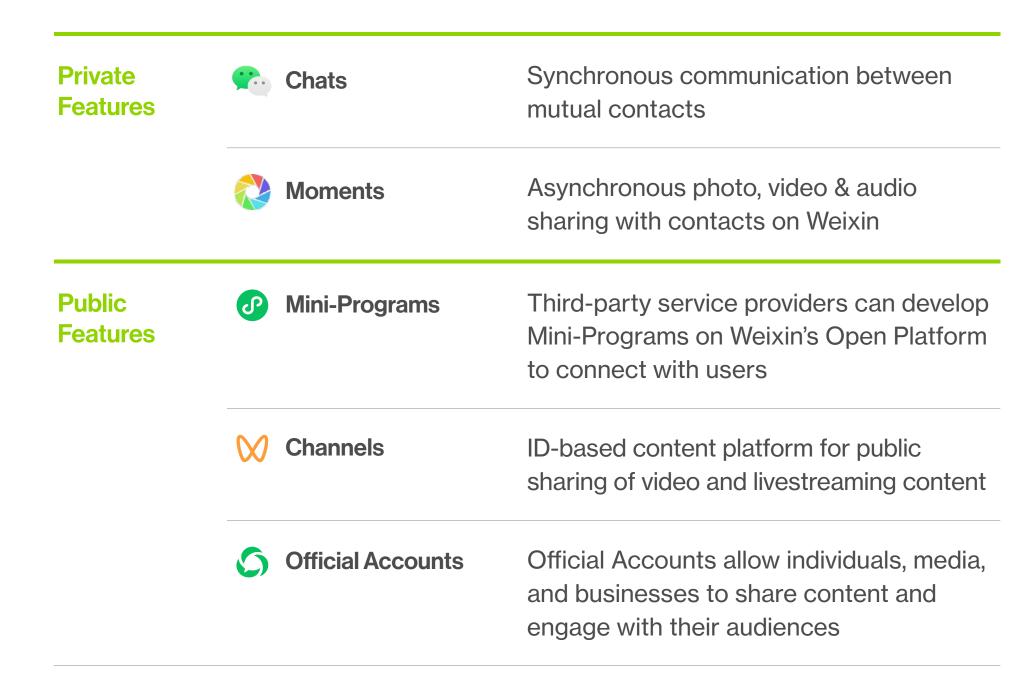






Weixin is a social communication tool. Users communicate with friends and family, share photos and special moments, book a flight or order a taxi, split a restaurant bill, and subscribe to follow company accounts, among other activities. The private and public features enable users to share information and content with their contacts and followers.

Championing IP Rights







Weixin Brand Protection Measures

Strengthening Enforcement, Transparency, and Proactivity

One-Stop Platform & Full-Scenario Coverage

Weixin Brand Protection Platform provides tools and solutions to minimize the advertising and sale of counterfeit products. It is a one-stop portal for IPR enforcement across Weixin features.

Brand-Oriented	Brands can access simplified reporting process for Official Accounts, Mini-Programs, and Channels.
Proactive	Weixin runs a database that proactively defends against and blocks infringement at the "account name" level in public features. Extended to cover potential ad content. Weixin proactively reviews and takes down infringing Channels livestreams.
User-Driven	Weixin sends user-generated, crowd-sourced "leads" of any suspected counterfeiting activity in private one-on-one chats, group chats, Moments, and Channels.
Verifiable	Brands can verify leads to expedite notice and takedown procedures for infringing Weixin personal accounts and Channels.
II Analytical	Brands can analyze and follow up on leads and generate automatic data reports of their own directed enforcement actions.
Supportive	Weixin supports offline criminal cases by engaging with brands and law enforcement on a regular basis.

Championing IP Rights

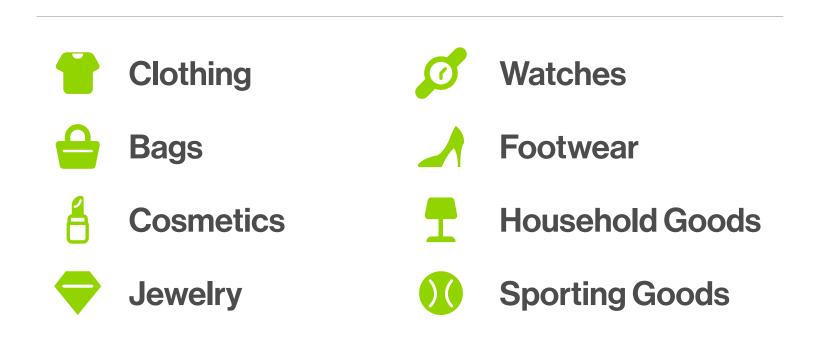
Weixin Brand Protection Platform Membership

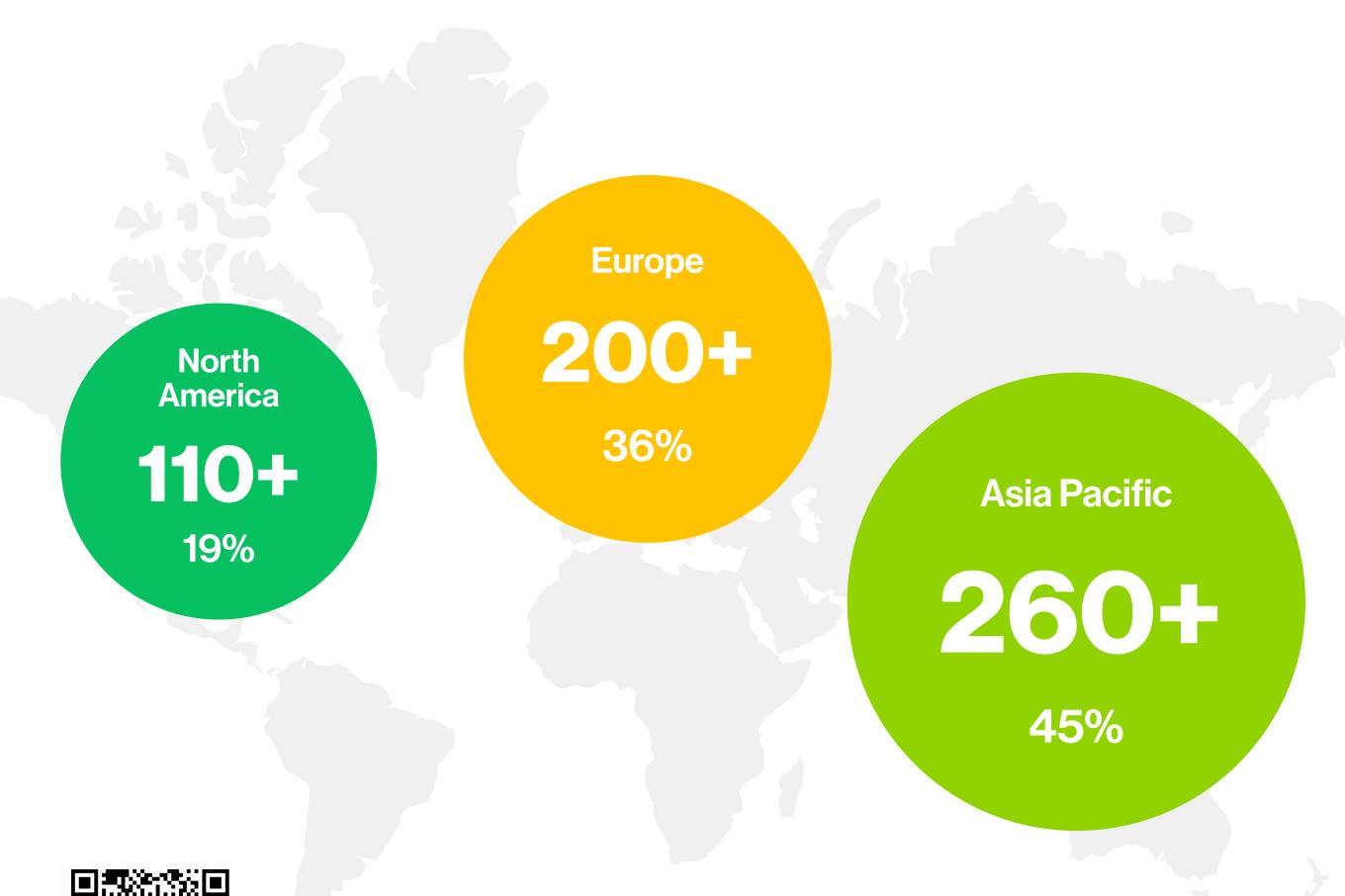
2023 BPP Update

BPP launched a dedicated sub-portal for pharmaceutical brands in December 2023 where they can submit reports for action. Contact notice_wxpbr@tencent.com for more information.

BPP membership grew from 515 to 570 between 2022 and 2023, representing a 10% increase.

Our 570+ BPP members are from 26 countries and regions, covering 30+ industries.







Please visit the <u>Access Guidelines</u> for the Weixin Brand Protection Platform to join.

Section 2

Strengthening Enforcement, Transparency, and Proactivity

- Updates & Analysis of Enforcement across Weixin Features
- Increasing Transparency on Platform Rules and Enforcement



I am delighted to commend Tencent's brand protection team for their outstanding collaborative efforts and proactive engagement with brands, particularly Levi Strauss & Co., on the Weixin platform. Their commitment in the respect of intellectual property protection is truly commendable. Tencent has demonstrated a genuine dedication to working hand-in-hand with brands, like Levi's®, to tackle intellectual property concerns effectively. We look forward to continuing this collaboration and appreciate Tencent's continuous dedication to brand protection.

Zach Toczyński
Sr. Director, Global Brand Protection
Levi Strauss & Co.

Public Features

Overview of Brand Protection on Weixin

High Levels of Enforcement

Channels

Upon Registration/ Account Name Change



Trademark keywords in the Account Name Protection System

Suspicious account registrations or name-change attempts were proactively blocked daily

Short Video

reports were received by Weixin. 5,487 of those reports came from brands; 5,484 were confirmed and led to swift takedown of infringing content

Channels accounts were penalized 2,664 Channels accounts were permanently banned

Livestream

1,826,000

Proactively reviewed

Proactively taken down



Official Accounts



Mini-Programs

Upon Registration/ Account Name Change



11,500+

Suspicious account registrations or name-

change attempts were proactively blocked daily

Trademark keywords in the Account Name Protection System

Proactive Access Restriction

Official Accounts and Mini-Programs

Permanent Block

Mini-Programs and Official Accounts

Notice & Takedown

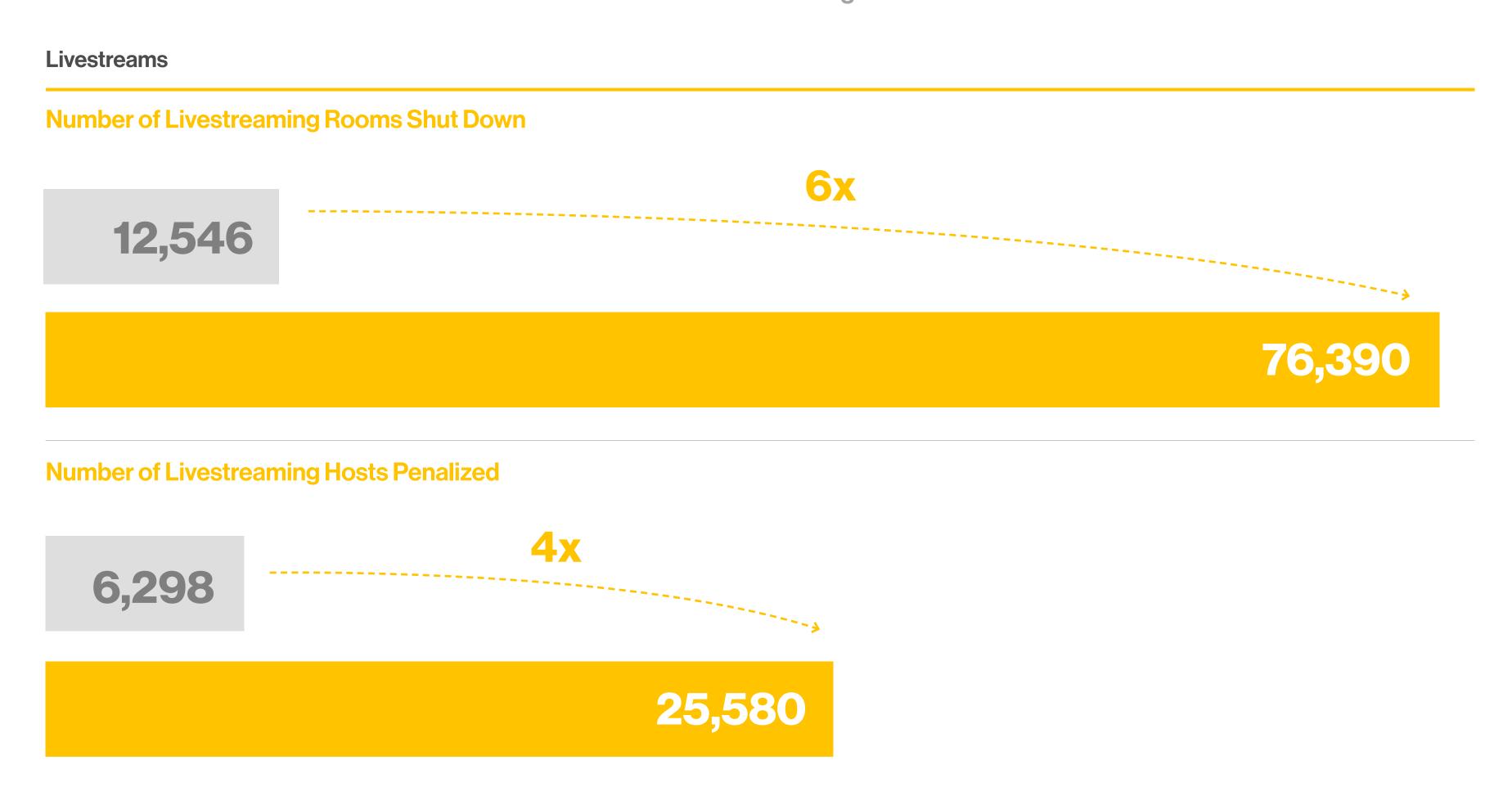
Official Accounts

Mini-Programs

Public Features

Overview of Brand Protection on Weixin

Proactive Actions from Weixin Enforcement Teams Account for the Largest Share of Penalties



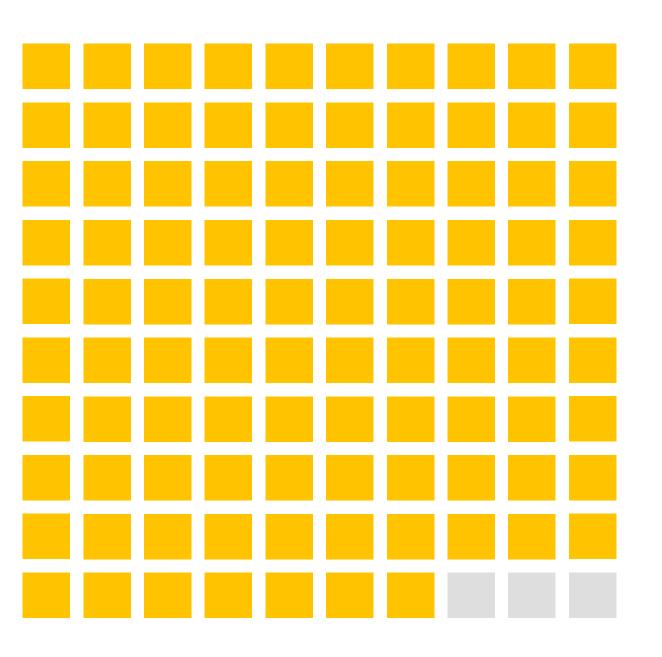
from Brand and User Reports

from Proactive Reviews

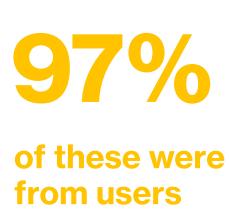
Private Features

Weixin offers a unique and innovative tool that respects user privacy while supporting users to report suspected counterfeit activity in violation of Weixin's terms of service and applicable law.

User Leads Play a Vital Role in Catching Infringers



Weixin received a total of 189,984 "takedown" notices and usergenerated reports



5,561

out of 6,259 reports (~90%) from brands were confirmed

46,329

out of 183,725 reports from users were validated





from Brands



There has been a significant increase in enforcement actions in 2023, reflecting our introduction of escalated penalties for infringing personal accounts in June 2022.

Stepped up Penalties for Infringers

Overview of Brand Protection on Weixin

26,866



accounts with Moments posts removed from January to August 2023

8,731



accounts suspended or permanently banned from January to August 2023

<7%

of accounts were subject to more than one complaint.

Weixin imposed account suspensions on all these accounts, in addition to other penalties.

Aggravating Factors

Factors that may warrant stricter penalties include but are not limited to, the following examples:

- Multi-Platform (3rd Party): Directing users to Weixin, via third-party platforms, to further the illicit IP-based transaction
- Multi-Level (Weixin): Use of a combination of other Weixin features such as Official Accounts, Mini-Programs, and Channels to disseminate counterfeit information
- Other Evasive Tactics: Circumventing Weixin's anti-counterfeiting measures

Preventing Re-Registration of Blocked Personal Accounts

Weixin blocks registration if a banned user tries to register a new account using the same telephone number.

- Since July 2023, 0% of phone numbers associated with banned or suspended accounts have been used successfully to re-register

Offline Enforcement in 2023

Typical Types of Collaboration in Offline Criminal Cases

- Weixin supports brands when they are working with law enforcement on a case
- Weixin supports law enforcement on investigations related to criminal cases
- Weixin initiates a case with brands and law enforcement based on reports of suspicious activities

Criminal Cases

24

Suspects

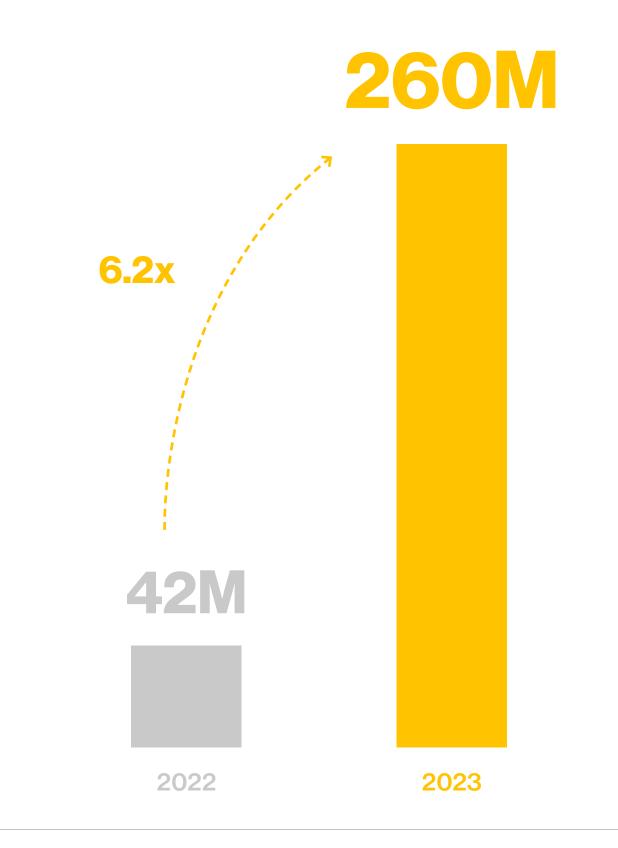
161 (2)

Case Value

\$260M\$







Key BPP System Updates & Enhancements

Increasing Transparency on Platform Rules and Enforcement

Our 2023 Efforts Include:



Updated BPP Guidelines



Released Channels Anti-Counterfeit Enforcement Guidelines



Published Official Account Anti-Counterfeit Guidelines



Supplemented Personal Account Enforcement Guidelines



Disclosed Levels of Penalties on Personal Accounts

Weixin Brand Protection Platform Guide February 2023 Edition

Weixin Brand Protection Platform Guide

Weixin Legal

February 2023 Edition

This guide is intended as a guide for brand owners when using the Weixin Brand Protection Platform ("BPP"). The Weixin Legal Team may revise this guide from time to time and provide the latest version of the guide for brand owners' reference by e-mail or notification in the BPP. Please refer to the latest version of the guide provided by the Weixin Legal Team to use the system more effectively. This guide may be drafted and published in different languages. However, please note that the simplified Chinese version shall always prevail in case of any inconsistency between the simplified Chinese version and any other version in any other language.

Section 3

Key BPP System Updates & Enhancements

- Improving the BPP User Experience for Brands
- Establishing New Proactive Screening Measures for Public Features
- Stepping Up Anti-Counterfeiting Measures for Channels

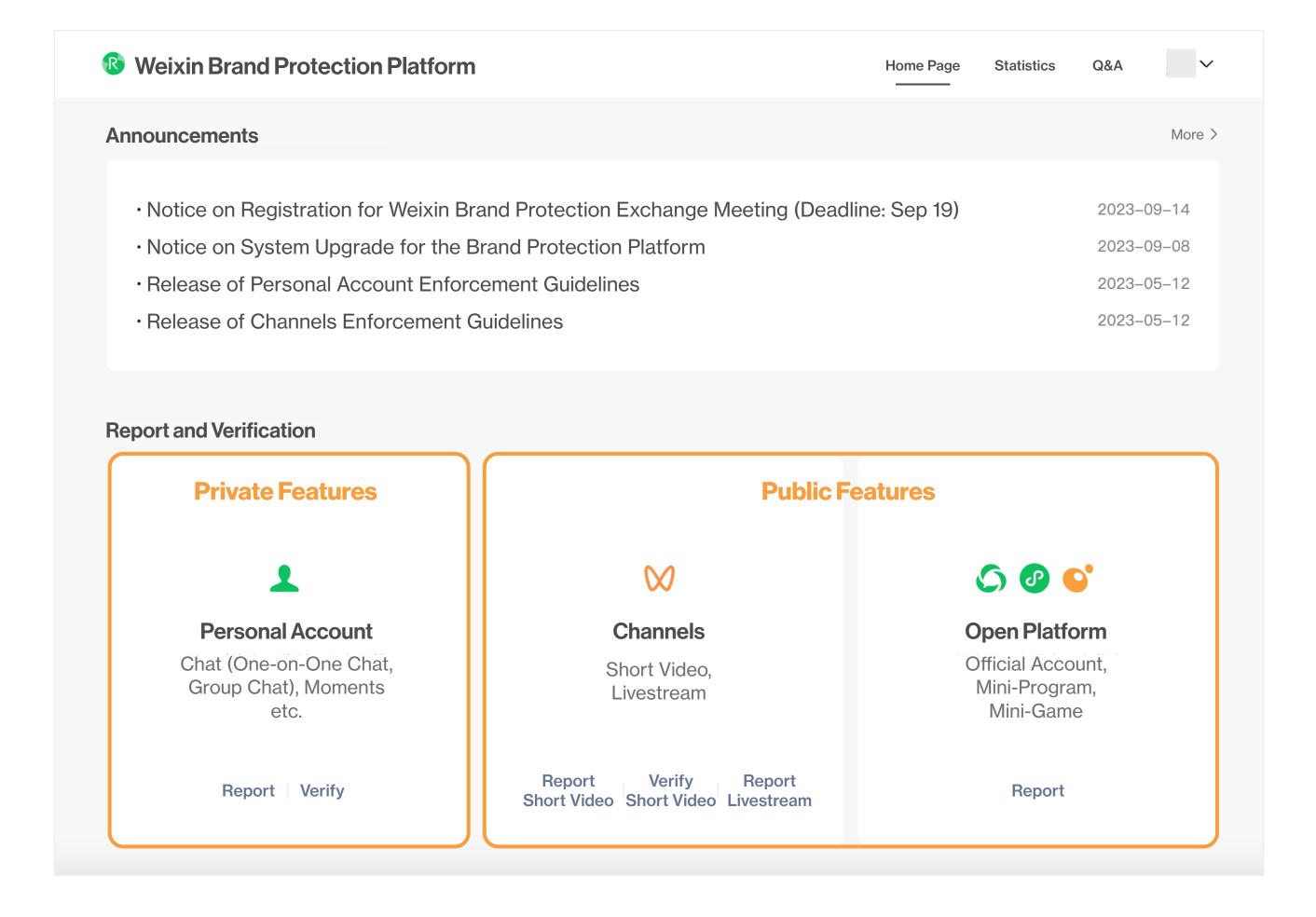


We are very pleased with all the improvements that Weixin has made to their BPP system over the last few years in response to suggestions from ourselves and other brand owners. At PUMA, we have worked very well with the Weixin team on protecting our brand, including pilots around Channels, in this important market. We have full confidence that this constructive collaboration will continue to grow."

Wei Zhang
Senior Counsel, Brand Protection
PUMA

Improving the BPP User Experience for Brands

Making the BPP a one-stop portal where brands review user leads and file takedown notices regarding content from Personal Accounts, Official Accounts, Mini-Programs, and Channels.





We at Corsearch, representing hundreds of valued brands, would like to commend Tencent for their swift and effective action against infringements on the Weixin platform. Their dedication to IP Protection, combined with innovative technologies and strategic partnerships, exemplifies a commitment to fostering a secure digital ecosystem for rightsholders worldwide. We look forward to continued collaboration in protecting the integrity of our clients' brands.

Joseph Cherayath
Vice President of Enforcement
Corsearch

Improving the BPP User Experience for Brands

System updates have made it more convenient and effective for brands to receive and review crowd-sourced, user-generated reports, as well as to initiate direct takedown notices.

67%



of leads were reviewed by brands

100%

of leads on Channels short videos were reviewed by brands



New BPP Features for Brands

- Use keywords to search for leads of interest
- Receive email notifications regarding pending leads for review
- Receive/forward mislabeled leads from/to other brands for review

New BPP Features for Users

- Search for a specific brand when submitting a lead, rather than scrolling through a long list of brands, which reduces mislabeled leads
- Send leads to brands on Channels short videos

Establishing New Proactive Screening Measures for Public Features

Keyword Interception in Advertising

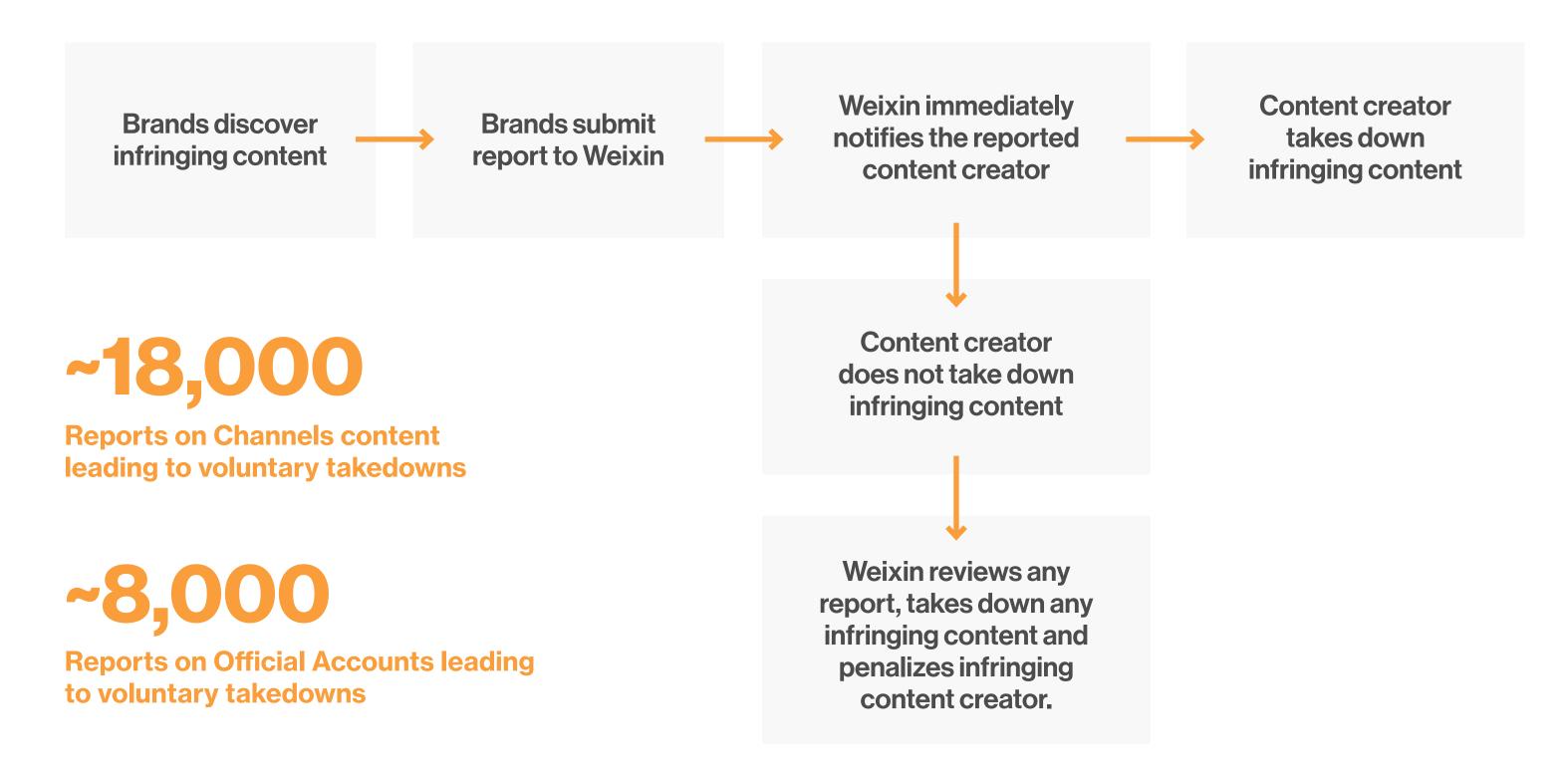
Weixin continues to automatically intercept keywords during account registrations and name change attempts. Weixin has also started intercepting brand-related keywords in applications from potential advertisers. If keywords are detected, Weixin asks the advertiser to provide proof of IP authorization before displaying the ad.

Proactive Review of Public Feature Content

While Weixin's keyword interception has traditionally focused on account names and profiles, Weixin last year started a special project by inviting a few brands to proactively combat counterfeiting information and behavior on public features. Through close collaboration with these brands and some adjustments to methodology and algorithms, Weixin made use of those identification methods in detection and human review, which led to possible enforcement actions. We are working with brands to evaluate the results, with the aim to extend this practice more broadly.

Expedited Take-downs for Official Accounts and Channels Reported by Brands

Weixin has established a mechanism that notifies content creators on Official Accounts and Channels when their accounts or content have been reported as infringing by brands. This provides users with an opportunity to voluntarily remove infringing content, thereby speeding up the take down process.



Weixin Brand Protection 2023 Updates & Analysis

Tencent

Stepping Up Anti-Counterfeiting Measures for Channels

Strict Registration Requirements

Overview of Brand Protection on Weixin

Weixin requires sellers to submit identity documents for verification. The specific identity documents vary depending on whether the registrant is an individually owned business, a company, or an authorized seller of certain brand(s). Rules for different sectors are highly detailed, with additional demands for Channels Store operators. For more information, please visit channels.weixin.qq.com/commerce.

Channels ID Numbers Available

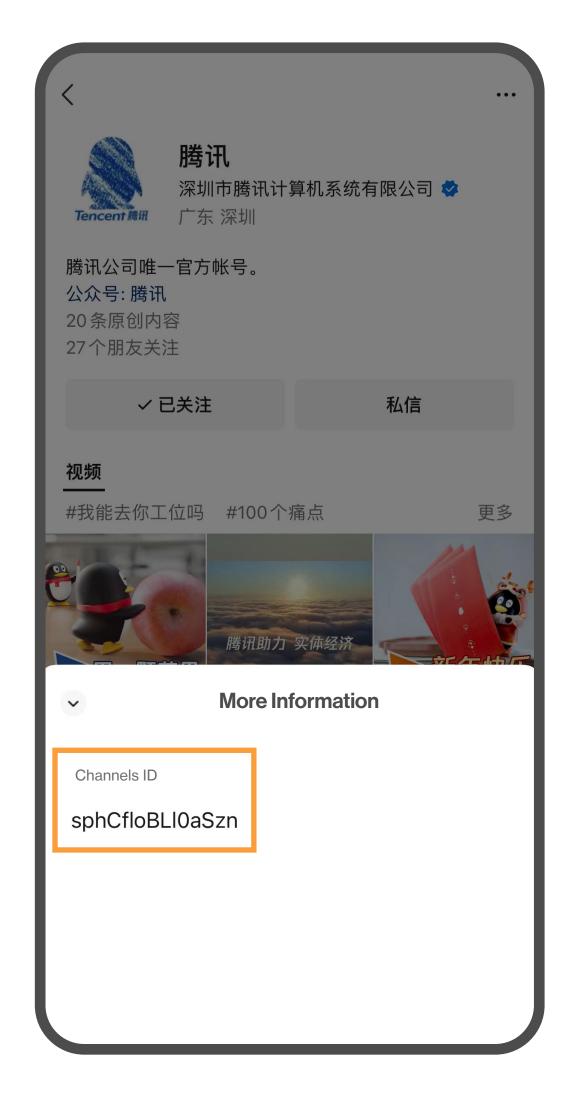
Weixin now displays identification ("ID") numbers for Channels accounts. **Channels ID numbers for account** holders remain static, which improves brands' ability to monitor and report because ID numbers associated with Channels accounts always remain the same, even if the account name changes.

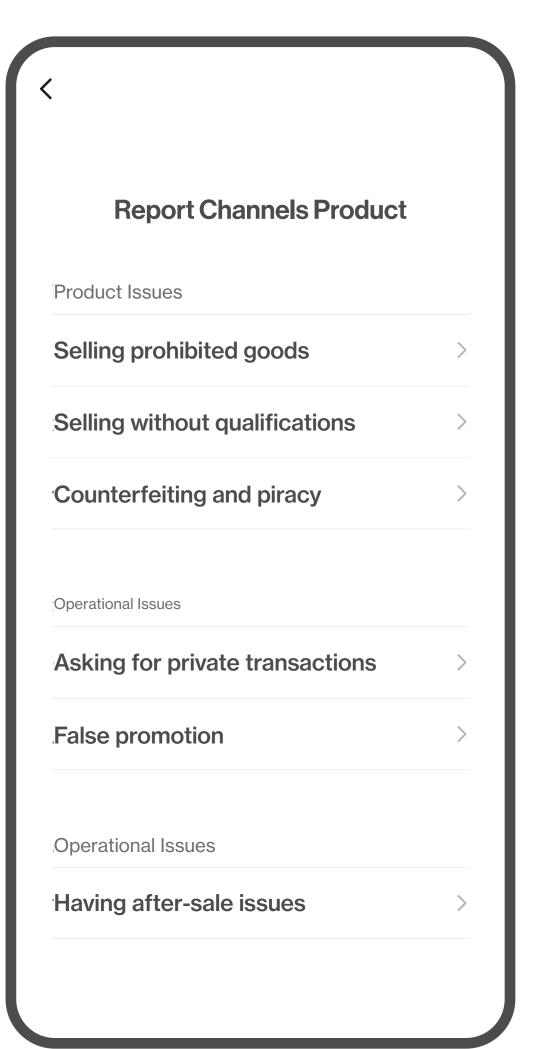
Display of Business Certificates

Weixin requires all Channels Store sellers to display their business certificates, which enables brands to directly obtain ID information for stores suspected of counterfeit activity.

New Channels Store Complaint Portal

Weixin users and brands can file complaints against suspected infringing Channel sellers and products through a dedicated, streamlined portal.





Section 4

Championing IP Rights

- Leading Member of the IP Community
- Investing and Protecting in and Protect Intellectual Property Rights
- Standing at the Forefront of International IP Protection



Tencent has long been an active member of INTA, including through committee and council work, panel presentations, and keynote remarks. The company has also contributed significant support and leadership to the organization to advance the shared goal of promoting and strengthening intellectual property rights around the world."

Etienne Sanz de Acedo
CEO
International Trademark Association (INTA)

Leading Member of the IP Community

2024 World's Strongest Brands

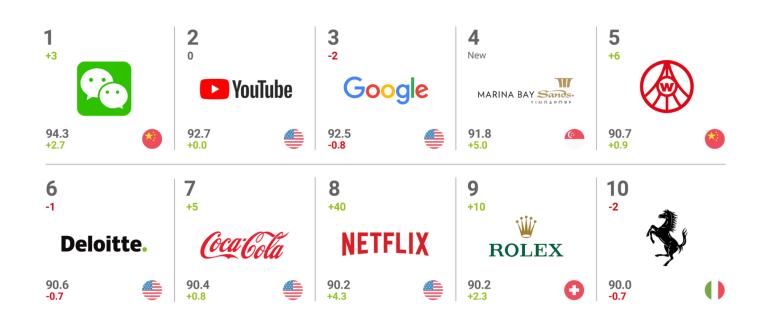
Brand Finance®

Strengthening Enforcement, Transparency, and Proactivity

2024 World's Top 100 Brand Guardians Brand Finance®

2024 Global Top 100 Innovator





44	
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	2024 Rank	2023 Rank		Name	Company
	1	10	A	Huateng Ma	Tencent
	2	2	=	Mukesh Ambani	Reliance Group
	3	1	•	Jensen Huang	NVIDIA
	4	33	A	Tim Cook	Apple
	5	8	A	Natarajan Chandrasekaran	Tata Sons
	6	23	A	Anish Shah	Mahindra
	7	4	•	Shantanu Narayen	Adobe
	8	5	•	Sundar Pichai	Google
	9	3	•	Satya Nadella	Microsoft
	10	11	_	Leena Nair	Chanel



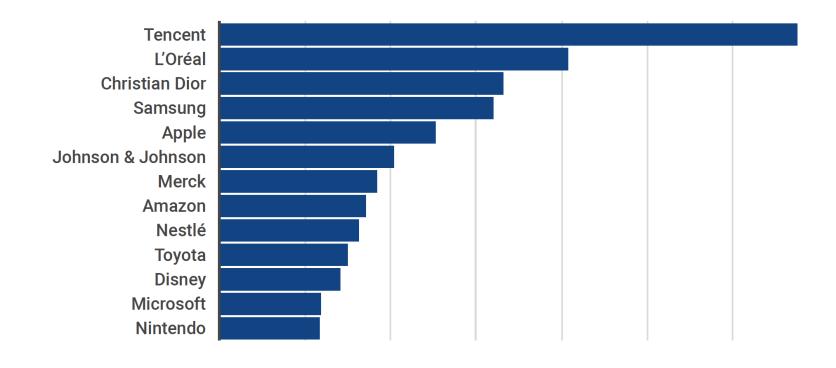
2023 Top Global Trademark Filers

CORSEARCH

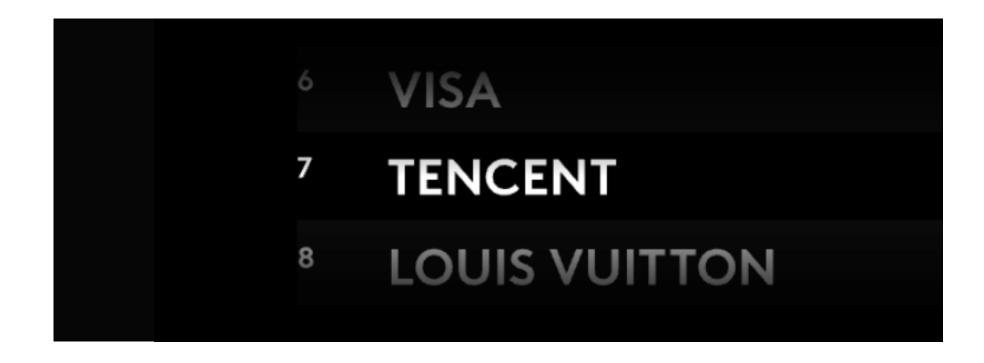
2023 Most Valuable Global Brands

KANTAR





Brand equity study involving over 4.2 million consumer interviews, covering 21,000 brands across 540 categories in 54 markets.



Weixin Brand Protection 2023 Updates & Analysis

Tencent

Investing and Protecting Intellectual Property Rights

Strengthening Enforcement, Transparency, and Proactivity

IP Intensive Businesses



Tencent Music Entertainment



Tencent Video



Tencent Games



The Recording Industry Association of America deeply appreciates Tencent's commitment to music and the need to protect copyrighted content. Tencent's investments in the music industry both enrich the cultural ecosystem and strengthen the foundations of creative rights and artist support."

The Recording Industry Association of America (RIAA)

Registered Trademarks

Patents

Professionals Working on IP Matters Around the World

Copyright Registrations









Standing at the Forefront of International IP Protection





Key BPP System Updates & Enhancements









Standing at the Forefront of International IP Protection





Key BPP System Updates & Enhancements











For inquires, please contact us at notice_wxpbr@tencent.com.