

# PDD, the New E-commerce, and its IP protection measures



November 2020





# China's Second Largest e-Commerce Platform by Users

**731.3mn<sup>(1)</sup>** Active Buyers

*2<sup>nd</sup> in China e-commerce*

**~US\$214bn<sup>(1)</sup>** GMV

*3<sup>rd</sup> in China e-commerce*

Founded in **Oct 2015**

Listed on Nasdaq in **Jul 2018**

**643.4mn<sup>(2)</sup>** MAU

*2<sup>nd</sup> in China e-commerce*

**~70mn<sup>(3)</sup>** Daily Parcels

*Every 1 out of 3 parcels in China*

**>6,000** Employees

Headquartered in  
**Shanghai, China**



**Within 5 Years**

*1 GMV and active buyers in the twelve months ended September 30, 2020.*

*2 Average MAUs for our mobile app in the three months ended September 30, 2020.*

*3 Average number of daily parcels since May, 2020.*



## Focus on Users – More Savings, More Fun

Pin  
**拼**  
TOGETHER

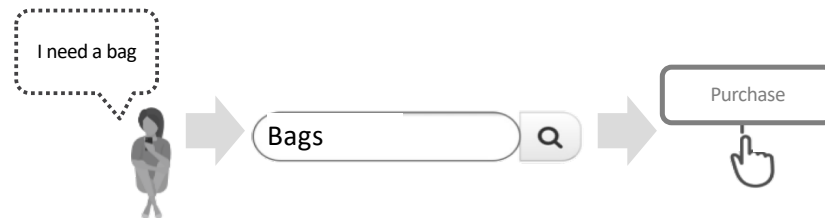


**VALUE** and **HAPPINESS** for **EVERYONE**



# Browsing based interactive e-commerce model

## Conventional e-commerce – More SKUs



- Under the **PC era** , **search-based** shopping format is best for e-commerce for its emphasis in **efficiency**
- Search-based shopping is based on a **“you know what you want and what you don’t want”** philosophy
- Acts like a **super brain** that can answer all users questions
- Decisions are **centralized**

## Pinduoduo’s new e-commerce – **More Accurate Recommendations**

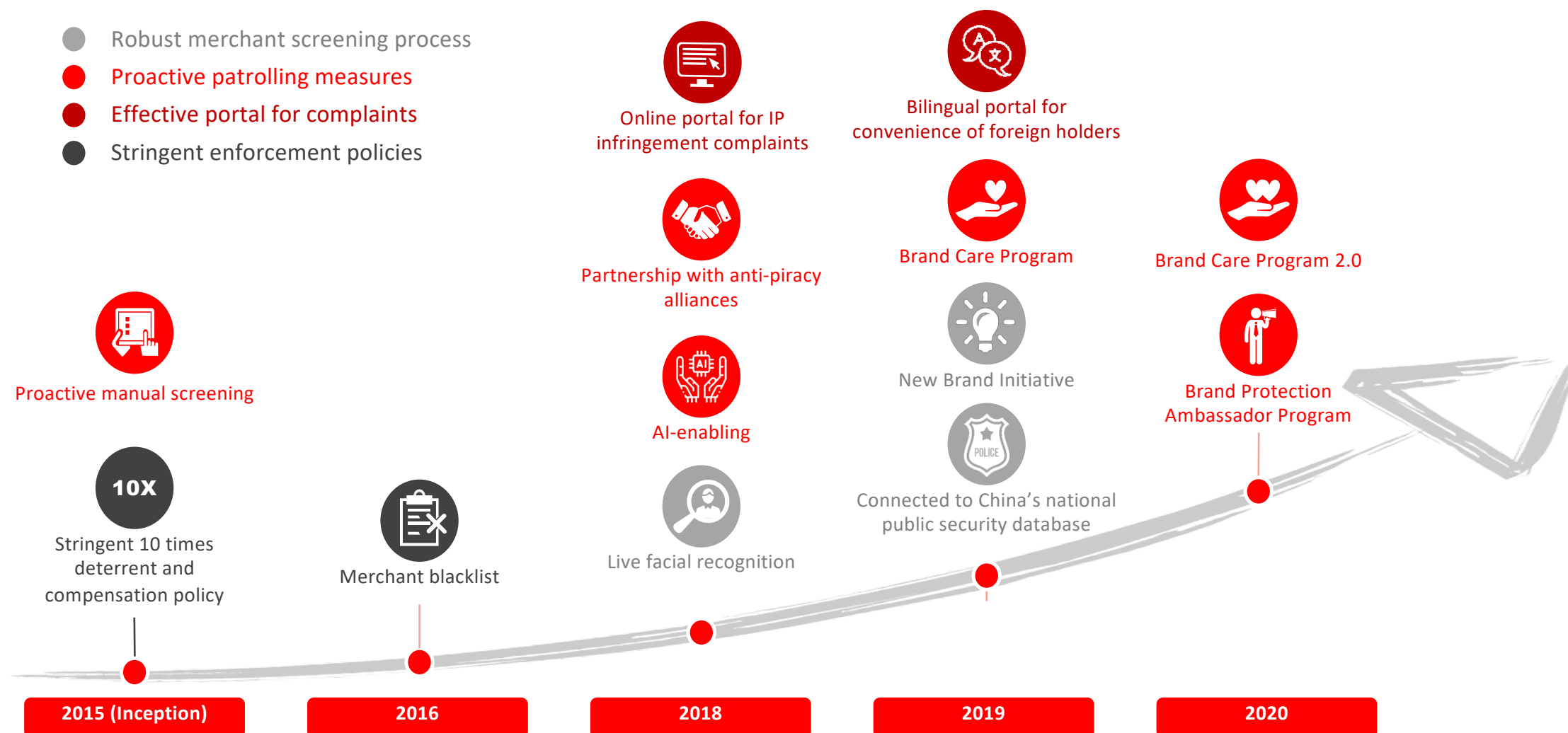


- Under the **mobile era**, **feed-based** shopping format caters more to the needs of mobile internet population for its **social, fun and dynamic** nature
- Feed-based shopping underpinned by a **“you don’t know what you want but happy to discover”** philosophy
- Acts like a **personal agent** that can provide users with tailored advice
- Decisions are **dynamic** and **can be influenced by trusted sources**



# PDD has a comprehensive and multilayered counterfeit fighting system...

Fight counterfeit has been PDD's strategic priority since inception and we never stop improving our anti-counterfeiting system





# Proactive measures against counterfeits

Comprehensive

Proactive

Inclusive

	Merchant	Products
New	<ul style="list-style-type: none"><li>Identity verification integrated with <b>National ID Database</b> and <b>Live Facial Recognition</b></li><li><b>Deposit</b> to guarantee compliance with rules and policies</li><li>Crosscheck against <b>Merchants Blacklist</b> to block repeat infringers</li></ul>	<ul style="list-style-type: none"><li><b>Brand Care Program</b> with customized plan for each brand</li><li><b>AI-based Rules</b> 24-7 screen each new product listing, automatically block confirmed counterfeits and report suspicious items</li></ul>
Existing	<ul style="list-style-type: none"><li><b>Behavior assessments</b> identify and control suspicious merchants</li><li><b>Mapping</b> of related stores and merchants</li></ul>	<ul style="list-style-type: none"><li><b>Customized models</b> monitor product listings</li><li><b>Bilingual IP Portal</b> handle brands' complaints</li><li><b>Test buys</b> and investigations with <b>1,000 brands</b> to confirm and penalize infringers</li><li><b>Continuous counterfeit level monitoring</b> prevent recidivism</li></ul>





## Brand Care Program

Comprehensive

Proactive

Inclusive

Brands of higher exposure and recognition among consumers are easier to attract counterfeiters. In Feb. 2019, we adopted the Brand Care Program to look after the wellbeing of those brands in a holistic way.



Customization



Technology



Ongoing monitoring



# PDD IPP Platform - [ipp.pinduoduo.com](http://ipp.pinduoduo.com)

Comprehensive

Proactive

Inclusive

Pinduoduo IPR Protection Platform

Email | Mobile

Enter email here

Enter password here

Enter the code on the right

Log in

[Forgot Password](#) [Register](#)



**Bilingual** in English and Chinese



Covers **trademark, patent and copyright**



**Simple 3-step** procedures: Create an account → Register IPR → Make complaints



**Efficient**



No need to prove IPR right every time making a complaint



Can complain 200 product at a time



**Transparent** – able to check progress of complaint





# Generate discussions on challenges and best practices

Comprehensive

Proactive

Inclusive



IP Newsletter

## Pinduoduo IP Newsletter

Pinduoduo is pleased to release the first edition of our new monthly IP Protection Newsletter. The purpose of this newsletter is to update interested parties on the efforts underway at Pinduoduo to improve IP protection as well as the latest development of IP protection in e-commerce industry.

## PDD UPDATES

### Roundtables and Meetings

• PDD held a roundtable with 16 UNIFAB members in Paris on Dec. 4, 2019 and discussed PDD's proactive and preventive anti-counterfeiting measures and takedown notice procedures.

• Delphine SARFATI, General Director of UNIFAB, said of the roundtable: "The meeting gave a good opportunity to the platform and brands to discuss anti-counterfeiting actions, notably cooperation and proactive measures. The discussions were fruitful and UNIFAB look forward to carrying out working on the initiatives and actions plan agreed."

• Pinduoduo will continue its efforts to reach out to stakeholders and hold constructive talks on IP protection collaboration. If you are interested in meeting with us, please contact us via [jpservices@pinduoduo.com](mailto:jpservices@pinduoduo.com).

### Joining INTA

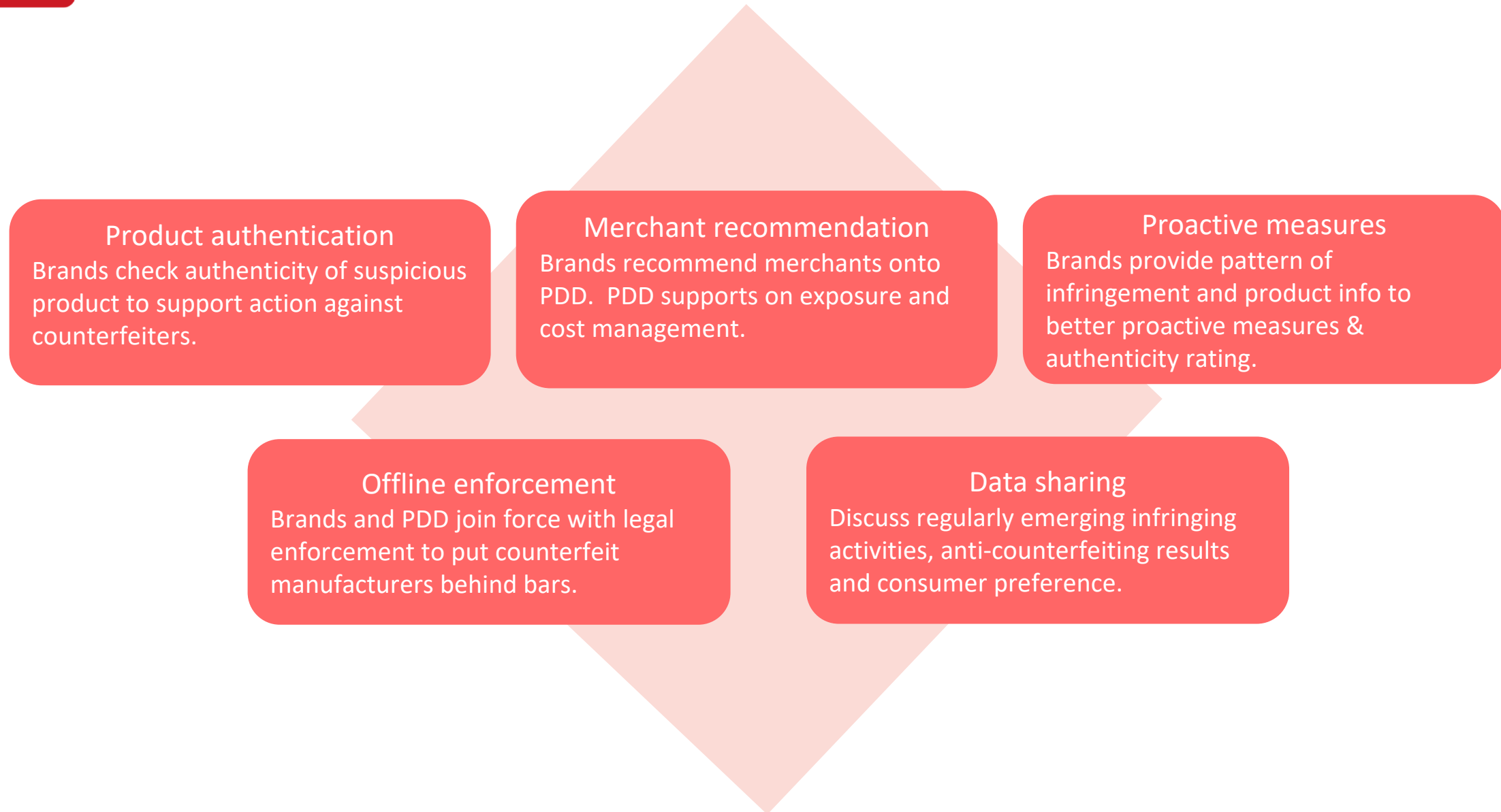
• Pinduoduo joined the International Trademark Association in late 2019. We look forward to actively participating in INTA programs designed to help global brands protect their trademarks online.

## FEATURE ARTICLE





## Cooperation between brands and Pinduoduo





## New challenges

**Live Streaming** **Community Group Buys**  
**Re-commerce**  
**C2M**  
**Social Media** **Mini Programs**



## New challenges – Live Streaming



## Challenges



Difficult to monitor



Difficult to screen



Difficult to preserve evidence



Difficult to trace across platform



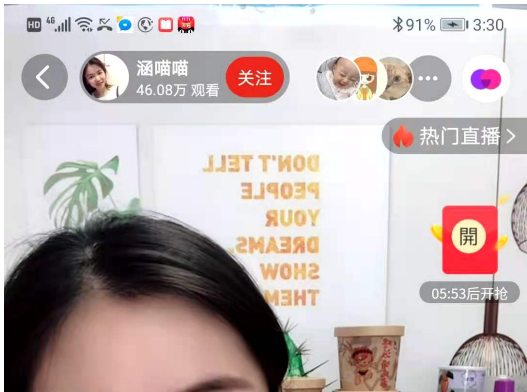


# New challenges – Live Streaming

- Inspection by patrol team
- Report made by viewer

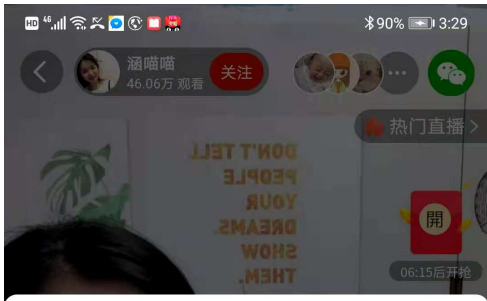
- Making use of proactive anti-counterfeiting measures already in place

- Recording live-streaming to preserve evidence



选择举报类型

- 色情低俗内容
- 非法政治内容
- 出售违禁品（保护动物/危险武器/假币假证等）
- 出售假冒商品
- 不当行为（烟酒驾驶/危险行为/未成年人直播等）
- 引导第三方交易
- 挂机或多账号同时直播相同内容
- 其他



全部商品

- 155 品牌 经典手工小米酥非油炸膨化花 立减2元 直播专享2元券 已领8% 券后¥3.99 已拼244件 领券拼单
- 157 【果园直发】苹果水果山西冰糖 直播专享3元券 已领5% 券后¥4.9 已拼2万件 领券拼单
- 156 棉鞋女士秋冬学生保暖加绒毛毛 女圆头浅口豆豆畅销榜第11名 ¥7.96 已拼10万+件 立即拼单
- 155 品牌 经典手工小米酥非油炸膨化花 立减2元 直播专享2元券 已领8% 券后¥3.99 已拼244件 领券拼单





# Pinduoduo Inc.

Together  
More Savings  
More Fun