



The Supreme People's Court Interpretation on Some Issues Concerning Application of Laws in Hearing Cases of Patent Infringement Disputes (Draft)

With a view to correctly trying cases of patent infringement disputes, this interpretation is formulated according to the provisions of relevant laws, such as the Patent Law of the People's Republic of China and the Civil Procedure Law of the People's Republic of China, and in light of the trial practice experience.

Article 1 Where a right holder asks for protection of the patent right for invention or utility model, the right holder shall specify the claims that it or he contends. The people's court shall determine the extent of protection of the patent right on the basis of the claims that the right holder contends, according to the provisions of Article 59 (1) of the Patent Law. Where the right holder changes its or his claims before the end of court arguments of first instance, the people's court should approve.

Where the claims that the right holder contends are declared invalidation before adjudication of first instance and the patent right is kept on the basis of other claims, where the right holder asks for determining the extent of protection of the patent right in light of the said other claims, the people's court shall approve. Where the cause of declaring invalidation mentioned above arises after adjudication of first instance and before adjudication of second instance and the right holder asks for determining the extent of the patent right in light of the claims which is not contended in the first instance procedure, the people's court of second instance may mediate for the newly postulated claims under the principle of voluntariness of the parties, and if mediation has failed, the court informs of the right holder to bring a new proceeding; the people's court of second instance may mediate for the claims that the right holder has already contended but that the people's court of first instance has not made judgment, under the principle of voluntariness of the parties, and if mediation has failed, the court returns the case for trial de novo, except that the claims without making judgment do not affect the determination of the nature of infringement. Where the right holder contends that the extent of protection of the patent right is determined by

independent claims, the people's court shall determine the extent of protection of the patent right jointly on the basis of the additional technical features contained in the independent claims and the technical features contained in the referred claims.

Article 2 The people's court shall determine the extent of protection of the patent right for invention or utility model on the basis of the contents of the claims understood by a person skilled in the art through reading the specification and the drawings. Where the contents of the claims understood by the person skilled in the art understands are different from the literary meaning of the claims, the extent of protection of the patent right shall be determined on the basis of the contents of the claims understood by the person skilled in the art. The extent of protection of the patent right shall accord with the purposes of the invention for patent and shall not include the technical solution having defects or deficiencies in the prior art to be overcome by the patent.

Article 3 The people's court may interpret the relevant contents of the claims by using the specification, the drawings, the other claims and the files of patent examination; where there is a special definition of the terms of the claims in the specification, the said special definition is regarded as the meaning of the terms of the claims. Where the meaning of the terms of the claims cannot be determined by the ways mentioned above, interpretation may be made by jointly using documents known to the public such as reference books and textbooks and general meaning understood by the person skilled in the art.

Article 4 "The extent of protection of the patent right for invention or utility model" provided in Article 59 includes the extent defined by the technical features contained in the claims. Where the right holder contends that the extent of protection of the patent right includes the extent defined by equivalent technical features, the people's court shall determine the extent of protection of the patent right by equivalent technical features. The equivalent technical features stated in the preceding paragraph means the features which carry out essentially the same functions and achieve essentially the same effects by using basically the same measures, compared with the features contained in the claims, and the features which the person skilled in the art may associate with without any inventiveness work at the time when an infringement act occurs.

Article 5 Where the technical features are defined by function or effect, the people's court shall determine the contents of the said technical features according to the specific embodiments or

equivalent embodiments of the technical features which are described in the specification and the drawings.

Article 6 For a technical solution which is only described in the specification or the drawings but not specified in the claims, where the right holder contends that the extent of protection of the patent right includes the said technical solution, the people's court shall not support the claims.

Article 7 Where a patent applicant or patentee has made restrictive amendments or statements in the procedures of grant of patent right or the invalidation procedures on its or his own initiative or according to the examiner's requirements, where the right holder contends that the extent of protection of the patent right includes an abandoned technical solution, the people's court shall not support the claims.

Article 7 Where a patent applicant or patentee has made restrictive amendments or statements in the procedures of grant of patent right or the invalidation procedures on its or his own initiative or according to the examiner's requirements, where the right holder contends that the extent of protection of the patent right includes an abandoned technical solution, the people's court shall not support the claims.

Article 8 When the people's court determines whether the accused technical solution falls into the extent of protection of the patent right, any technical feature defined in the claims the right holder contends shall not be omitted.

Where the accused technical solution covers the features that are identical or equivalent to all technical features defined in the claims, the people's court shall determine that the accused technical solution falls into the extent of protection of the patent right; where, compared with all technical features defined in the claims, the technical features of the technical solution lack one or more technical features defined in the claims, or one or more technical features are not identical or equivalent, the people's court shall determine that the accused technical solution does not fall into the extent of protection of the patent right.

Article 9 The people's court shall determine "the extent of protection of the patent right for design" provided in Article 59 (2) of the Patent Law, on the basis of a design of a product in a classification identical or similar to that of the product of the patented design, which is identical or similar to the

patented design.

Where the classification of products is identical or similar but the accused design is not identical or similar to the patented design, or the accused design is identical or similar to the patented design but the classifications of the products are not identical or similar, the people's court shall determine that the accused design does not fall into the extent of protection of the patent right for design.

Article 10 The product of the identical classification stated in Article 9 of the Interpretation refers to the product of the same use; the product of the similar classification refers to the product of the similar use.

The people's court may determine the use of the product, referring to a list of the International Classification for Industrial Designs and the title and the use of the product described in a brief explanation and considering the factors such as product sales and actual use.

Article 11 The people's court shall judge whether the designs are identical or similar, by the level of knowledge and the cognitive ability of the relevant public regarding the product of the patented design.

The relevant public stated in the preceding paragraph refers to persons who have common knowledge regarding relevant designs of the patented designs and have certain capability of distinguishing differences in the shapes, patterns and colors between different designs but generally do not notice a small change in the shapes, patterns and colors.

Article 12 The people's court shall judge whether the design is identical or similar by the overall visual effect of the design and comprehensively considering all features of the design within the extent of protection of the patent right for design. But the sole feature of the design which is used to achieve the technical function of the product and the features of materials and internal structures of the product which do not influence the overall visual effect shall not be considered. Where the accused design is sufficient to cause confusion to the relevant public in the overall visual effect compared with the patented design, the people's court shall determine that the accused design is similar to the patented design. Where the accused design does not contain the essential portion of the patented design, the people's court shall hold that the accused design does not cause confusion to the relevant public in the overall visual effect compared with the patented design.

The essential portion of the design stated in the preceding paragraph refers to the features of the patented design which can have a notable visual impact on the relevant public compared with the existing design. The people's court may determine the essential portion of the design referring to the brief explanation of the design.

Article 13 Where the patented product is assembled, the people's court shall determine that it belongs to "make" provided in Articles 11 and 69 of the Patent Law, except that the seller or user itself assembles the products and the products are generally sold in sets. Where the design patent products of specific packing articles are reclaimed and used to package the same or similar category of the products, the people's court shall regard it as "make" provided in Articles 11 and 69 of the Patent Law.

Article 14 Where the product infringing the patent right for invention or utility model is used as the parts of the other product to produce the said other product, the people's court shall determine that it belongs to "use" provided in Articles 11 and 69 of the Patent Law; where the said other product is sold, the people's court shall determine that it belongs to "sell" provided in Articles 11 and 69 of the Patent Law.

In the conditions provided in the preceding two paragraphs, where there is cooperation with each other between the alleged infringers, the people's court shall determine that it belongs to "make" provided in Articles 11 and 69 of the Patent Law; where the alleged infringer does not provide the legitimate source of the infringing products or the legitimate source of the infringing products provided is not real, the people's court shall presume that it belongs to "make" provided in Articles 11 and 69 of the Patent Law.

Article 15 Where original products are obtained by using the patented process, the people's court shall determine that it belongs to "the product directly obtained by the patented process" provided in Articles 11 and 69 of the Patent Law.

Where the original products are further processed to obtain subsequent products the people's court shall regard it as "use the product directly obtained by the patented process"; provided in Article 11 of the Patent Law.

Article 16 Where an actor knows that relevant products are the materials, intermediate products,

parts or equipments which are only used to carry out specific patents for invention or utility model and however, the actor provide the third party with them to carry out acts of infringing the patent right, where the right holder contends that the actor and the third party bear the joint civil liability, the people's court shall support the claims; where the third party's exploitation is not for production or business purposes and the rightholder contends that the actor bears the civil liability, the people's court shall support the claims.

Article 17 Where the alleged infringer in the lawsuit of infringing the patent right for invention or utility model asserts a prior-art defense, where all technical features in the accused technical solution which are fallen into the extent of protection of the patent right are identical or equivalent to the corresponding technical features of one technical solution in prior art, the people's court shall find that the alleged infringer has "evidence proving that the technology he or it exploited is an existing technology" as provided in Article 62 of the Patent Law.

Where the alleged infringer asserts the non-infringement defense by the published conflicting application, the people's court may refer to the provisions in the preceding paragraph.

Article 18 Where the alleged infringer in the lawsuit of infringing the patent right for design assert prior design defense and the accused design accused is identical or similar to one design of an existing product, the people's court shall find that the alleged infringer has "evidence proving that the design he or it exploited is a prior design" as provided in Article 62 of the Patent Law.

Where the alleged infringer asserts the non-infringement defense by the published conflicting application, the people's court may refer to the provisions in the preceding paragraph.

Article 19 Where the alleged infringer asserts a prior use right defense by the illegally obtained technology or design, the people's court shall not support the claims.

The people's court shall regard one of the following situations as "already made necessary preparation for making or using" stated in Article 69 (2) of the Patent Law:

(1) Main technical drawings or documents necessary to exploiting an invention creation have been accomplished;

(2) Main equipments or dies necessary to exploiting an invention creation have been made or bought.

"The original scope" provided in Article 69 (2) of the Patent Law includes a production scale which already exists before the date of filing of the application for patent and a production scale which may be reached by using the existing production equipment or by virtue of the existing production preparation.

Where the owner of prior use right transfers or license other persons after the date of filing of the application for patent to exploit the technology or design which has been exploited or for which the necessary preparation for exploitation has been made, where the owner of prior use right asserts that the exploitation act belongs to continual exploitation in the original scope, the people's court shall not support the claims, except that the technology or design is transferred or inherited together with the original enterprise.

Article 20 Where, upon agreement of the patentee, the patent is brought into the standards promulgated by standard setting organizations of the country, industries or localities and the patent is not disclosed in the said standards, the people's court may determine that the patentee licenses other persons to exploit the patent at the same time when the standards are carried out, except that the patent must be exploited in the form of standards in accordance with laws.

Where the patentee requires the person of carrying out the standards to pay a fee for exploitation, the people's court shall determine a reasonable amount of the fee for exploitation by comprehensively considering the factors, such as a degree of innovation of the patent, the function of the patent in the standards, the technical field of the standards, the nature of the standards and the extent of carrying out the standards, except that the patentee promises to abandon the fee for exploitation.

Where the patent and the conditions of licensing exploitation are disclosed, where the other person does not carry out the patent in the light of the disclosed conditions, the parties contend that the patent is carried out in the light of the disclosed conditions of licensing exploitation, the people's court shall support the claims. Where the disclosed conditions of licensing exploitation are obviously unreasonable, upon the request of the parties, the people's court may make a proper adjustment. Where the undisclosed or disclosed conditions of licensing exploitation are not clear, it shall be resolved by the parties through consultation. Where consultation has failed, the parties may request the people's court to decide.

Where there are otherwise provisions in the laws or administrative regulations concerning the patent in the carried out standards, such provisions shall be observed.

Article 21 When the people's court determines "the benefits that the infringer has earned owing to the infringement" stated in Article 65 (1) of the Patent Law, the said benefits shall be limited to the benefits that the infringer has earned owing to the infringement itself. Where the benefits earned by the infringer have been jointly generated owing to other factors, the benefits generated by the other factors shall be excluded from the benefits the infringer has earned owing to the infringement.

Where the products of infringing the patent right for invention or utility model are parts of the other product, the people's court shall reasonably determine the amount of compensation according to the factors such as the value of the parts themselves and the function of the parts in achieving the profits of finished products. Where the parts are the key parts which accomplish the technical function or effect of the finished products and the value of the finished products which is mainly embodied by the parts, the people's court may calculate the amount of compensation in accordance with the profits of the finished products.

Where the product of infringing the patent right for design is a packing article, the people's court shall reasonably determine the amount of compensation according to the factors such as the value of the packing article itself and the function of the packing article in achieving profits of a packaged product. Where the design for the packing article is main factors to attract general consumers to buy the packaged product and the packing article cannot be separated from the packaged product at the time of sale, the people's court may calculate the amount of compensation in the light of the profits of the packaged product.

Article 22 In trying a case of disputes concerning a fee for exploitation in a period of provisional protection of a patent for invention as provided in Article 13 of the Patent Law, the people's court may refer to the laws relating to patent infringement.

In determining whether the alleged infringer carries out the patent for invention during the period of provisional protection, where the extent of protection of the patent right at the time of publication of the patent application is inconsistent with the extent of protection of the patent right at the time of announcement of grant of the patent right, the people's court shall make a decision by the narrower extent of protection of the patent right.

Article 23 Where the right holder has gave other person a warning of infringing the patent right, a

person who was warned or interested parties demands, in the written form, that the right holder exercises the right of action, the right holder neither withdraws the warning nor initiates a proceeding within one month as of the date of receiving the demand in the written form, the person who was warned or the interested parties request the people's court to determine that the acts do not infringe the patent right, the people's court shall accept.

Article 24 Where a product or a technical solution of the product is not known to the public in the country or abroad before the date of filing of the application for patent, the people's court shall regard the said product as "a new product" provided in Article 61 (1) of the Patent Law.

Article 25 The acts accused of infringement of the patent right which occurs before October first, 2009 shall apply the Patent Law prior to the amendment; the acts which occurs after October first, 2009 shall apply the Patent Law after the amendment.

Note: The Chinese Text of the Interpretation shall prevail. The above English translation for reference purpose only