Rules Applicable to Prior Art Defence: Difference in Law Provisions and Analysis Thereof

Zhang Guangliang
Associate Professor of the China University of Political Sciences and Law, Depute Managing Director of the Institute for International Intellectual Property of Peking University, and part-time Professor of the US John Marshal Law School

"Incorporating" the prior art defence is one of the important amendments made to the Chinese Patent Law for the third time, and the prior art defence has upgraded from a judicial doctrine into a law provision. Article 62 of the Patent Law as amended for the third time in 2008 (the Patent Law) provides that "In a patent infringement dispute, if the alleged infringer has evidence proving that the technology or design he or it exploited is a prior technology or design, the exploitation does not constitute an infringement of the patent right." To make the provision more enforceable, it is provided in Article 14, paragraph one, of the Supreme People's Court's Interpretation of Several Issues Concerning Application of Law to Trial of Cases of Disputes Arising from Infringement of Patent Rights that "Where all the technical features allegedly falling within the extent of protection of the patent right are identical with, or not substantial different from, the corresponding technical features of one existing technical solution, the courts shall determine the technical art exploited by the accused infringer as a prior art as prescribed in Article 62 of the Patent Law". The above provisions of the Patent Law and the Judicial Interpretation are express law guidelines and operational rules in respect of application of the prior art defence. However, the provisions of the Patent Law and Judicial Interpretation are dramatically different in wording, and require further analysis and explanation.

1. Difference between Patent Law and Judicial Interpretation in rules applicable to prior art defence

Under the Patent Law as long as an accused infringer, in infringement litigation, can adduce evidence to show that what he or it has exploited is a prior art, his or its act does not constitute an infringement. Consequently, comparison is made between the technology the accused infringer has exploited and a prior art, without involving comparison made between the allegedly infringing technology and the patented technology. The steps of the comparison include:

1. breaking down the allegedly infringing article into technical features; and

2. deciding on whether said technical features have been disclosed in the prior art.

According to the provision of the Judicial Interpretation, in technology comparison in prior art defence, not only comparison is made between the allegedly infringing technology and prior art, but also between the allegedly infringing technology and the patented technology (to find out whether the former falls within the extent of protection of the latter), with the steps below followed in the comparison:

1. construing the claims of a patent in suit to determine the extent of protection of the patent;

2. breaking down the allegedly infringing article into technical features;

3. determining whether the technical features of the allegedly infringing technology falling with the extent of protection of the patent in suit; and

4. determining whether the technical feature falling within the extent of protection of the patent has been disclosed in the prior art.

The above analysis shows that there are more steps of comparison set forth in the Judicial Interpretation than in the Patent Law. Therefore, under the circumstance where all the technical features of an allegedly infringing article have been disclosed in a prior art, applying the prior art defence following the steps set forth in the Patent Law may procedurally economical, with better efficiency. This writer argues that the provisions of the Judicial Interpretation are more conducive to the protection of the interests of the accused infringer, as the following example illustrates.

Suppose that a patented technical solution is defined by three technical features A, b and C, and the allegedly infringing technology comprises technical features A1, B1, C1 and D1. Under the Patent Law, if the accused infringer wants to

show what he or it has exploited is a prior art, it is necessary of him or it to show that the prior art has disclosed the four technical features of A1, B1, C1 and D1. The more technical features there are, the more difficult it is to seek the technology, the less possible it is for the defence to be made successfully. However, under the Judicial Interpretation, if it is established that the technical features A1, B1 and C1 of the allegedly infringing article are respectively similar or equivalent to the technical features A, B and C of the patent, the allegedly infringing article fully covers the extent of protection of the patent. Suppose that the prior art the accused infringer has sought has disclosed the technical features A1, B1 and C1, the prior art defence the accused infringer made may be found tenable. Under the same conditions, the fewer technical features there are, the easier it is to seek the prior art that has disclosed the technical feature, the more possible it is for the defence to be made successfully.

2. Relations between provisions on prior art Defence in the Patent Law and Judicial Interpretation

As it is literally construed, under the Patent Law, the prior art defence is tenable where the accused infringer find a prior art that has disclosed all the technical features of an allegedly infringing article. And under the Judicial Interpretation, so long as the accused infringer can show that the technical feature falling within the extent of protection of the patent in suit has been disclosed in a prior art, the prior art defence is tenable. For this writer, the provision of the Judicial Interpretation is more rational, for it is based on the legal doctrine that the public enjoy the freedom not only to use a prior art, but also to develop a new technology on the basis of the prior art.

In respect of the operational rules for prior art defence, some holds the view that since the Judicial Interpretation is the specification of the Patent Law, in the judicial practice, the people's court should make its decision on whether a prior art defence is tenable in line with the operational steps as specified in the Judicial Interpretation. But for this writer, as far as the provisions on prior art defence are concerned, the Judicial Interpretation supplements to, not substitute for, the Patent Law. That is, it is supplementary in respect of the circumstance of prior art defence as mentioned in the Patent Law. The Patent Law and Judicial Interpretation are directed to two circumstances of prior art defence. For one circumstance, the allegedly infringing article comprises such four technical features as A1, B1, C1 and D1, and the accused infringer finds a prior art that has disclosed said four technical features while under the Patent Law, the accused infringer's prior art defence is tenable. Under such circumstance, it is undoubtedly simple and efficient to follow the steps specified in the Patent Law when deciding on whether a prior art is tenable. For the other, the extent of protection of a patent in suit is defined by the three technical features A, B and C, and the allegedly infringing article comprises the four technical features A1, B1, C1 and D1; the technical features A1, B1 and C1 of the allegedly infringing article are identical with, or equivalent to, technical features A. B and C. Suppose that the accused infringer does not find the prior art that has disclosed the four technical features A1, B1, C1 and D1, but he or it finds a prior art that has disclosed A1, B1 and C1. In this case, the accused infringer's prior art defence is also tenable.

3. Choice of steps applicable to prior art defence

As the preceding analysis shows, the Patent Law and Judicial Interpretation are different in the steps for applying the prior art defence. Then, what steps, those of the Patent Law or the Judicial Interpretation, should apply on a case-for case basis? As for this, the writer holds the view that prior art defence is a cause of defence, and it is up to an accused infringer to choose the way or step to apply it. Where the accused infringer defends that all the technical features of an allegedly infringing article have been disclosed in a prior art, the court should decide on whether the prior art defence is tenable under the Patent Law. Where the accused infringer says that it is impossible for him or it to find the prior art that has disclosed all the technical features of the allegedly infringing article, but he or it argues that the technical feature falling within the extent of protection of a patent has been disclosed in a prior art, the court should decide on whether the prior art defence is tenable according to the provision of the Judicial Interpretation.

As a judicial doctrine, the prior art defence has been in existence before the amended Chinese Patent Law as of 2008, and the way in which it applies has long been controversial. Without any doubt, express provisions set forth in the Patent Law and Judicial Interpretation on the application of the prior art defence will make the controversy unlikely, and make decisions or rulings along the line more predictable. An in-depth understanding of the relevant provisions of Patent Law and Judicial Interpretation will help correctly implement the judicial doctrine of prior art defence and ensure the quality and efficiency of the court hearing of cases of the nature. ■