

Latest Developments in Adjudication of IP Cases by Beijing Higher People's Court in 2014

(Abridged Part on Patent)

The IP Tribunal of the Beijing Higher People's Court

Determination as to whether experimental data regarding activity of compounds supplemented by an applicant after the filing date should be accepted

That the claims shall be based on the description means that the claims shall be supported by the description. The technical solution for which protection is sought in each of the claims shall be a solution that a person skilled in the art can reach directly or by generalization from the contents sufficiently disclosed in the description, and shall not go beyond the scope of the contents disclosed in the description. Where the generalization of a claim includes contents speculated by the applicant and the effect thereof is difficult to determine or evaluate beforehand, the generalization shall be regarded as going beyond the scope of the contents disclosed in the description. The claims shall be supported by the description not only in form but also in essence. If the applicant has completed activity verification experiments of all compounds in the invention, he is expected to disclose them in the description as much as possible. Qualitative explanations of activity of relevant compounds alone are not sufficient to render the application documents in compliance with the requirement for sufficient disclosure or proper generalization. A patent applicant is obliged to disclose the verified technical effect as claimed in the description, rather than place a person skilled in the art or the public under an obligation of one-by-one verification of and selection among numerous compounds.

In *Otsuka Pharmaceutical Co. Ltd. (hereinafter referred to as 'Otsuka' briefly) v. the Patent Reexamination Board (PRB)*, an administrative dispute over rejection and re-examination of a patent application for invention¹, Otsuka filed a patent application for invention No. 200710004037.1 titled

"2, 3-dihydro-6-nitroimidazo [2,1-b] oxazole compounds", but the State Intellectual Property Office (SIPO) rejected the present application on the grounds that it did not meet the requirement of Article 26.4 of the Patent Law. The PRB held that as far as a person skilled in the art is concerned, chemistry is an experimental science and has low level of predictability. Activity of compounds, especially in the field of medicinal chemistry, shall be verified depending on experimental results, and therefore, embodiments in the description for indicating the use and/or effect of the compounds are the basis for determination as to whether the compound invention can solve the technical problem and achieve an expected effect. In comparison with claim 1 which claims a large number of compounds, the description of the present application only recites an activity test of a specific compound, namely, the compound of Example 397. Except this embodiment, the description does not provide any activity tests for proving the bactericidal action of other compounds against *Mycobacterium tuberculosis*, multi-drug-resistant *Mycobacterium tuberculosis*, and atypical acid-fast bacteria. Thus, the protection scope of the claims of the present application shall be obtained by reasonable generalization of the compound of Example 397. However, in the compound of Example 397, R² is 4-(4-trifluoromethoxyphenyl)-piperazin-1-yl, whereas R² as claimed in claim 1 contains many groups that are greatly different from 4-(4-trifluoromethoxyphenyl)-piperazin-1-yl in the compound of Example 397, such as Fc, or Fd where R²⁶ represents Fd1-Fd9, Fd11-Fd39 or phenyl group substituted in complex forms. Since various factors, such as the structure of a compound, steric effects and electronic effects of substituted groups, hydrophilicity or hydrophobicity, may have an effect on whether a compound

has a bactericidal action against *Mycobacterium tuberculosis*, multi-drug-resistant *Mycobacterium tuberculosis*, and atypical acid-fast bacteria, the activity test of Example 397 alone in the description would not make it possible for a person skilled in the art to find out the structure-activity relationship between the bactericidal action and structures of the compounds which the present application seeks to protect. In this case, a person skilled in the art can hardly foresee that all the compounds included in claim 1 have a bactericidal technical effect similar to the compound of Example 397. Since the compounds are not sufficiently disclosed in the description and therefore are not technical solutions that can be obtained directly or by generalization from the contents sufficiently disclosed in the description, the compounds, the effects of which are predictable, included in claim 1 of the present application are not supported by the description. The PRB decided to uphold the Decision on Rejection issued by the SIPO. The first-instance court ruled that the Decision as appealed should be maintained.

The second-instance court held that according to the definition of R^2 substituent in claim 1 of the present application, claim 1 comprises a large number of compounds that vary greatly in terms of the structure of R^2 substituent. Example 397 relates to a compound in which R^2 is 4-(4-trifluoromethoxyphenyl)-piperazin-1-yl. The compound in Example 397 is significantly different from the other compounds claimed in claim 1 in terms of steric structure, or might be significantly different from them in terms of electron configuration, hydrophilicity or hydrophobicity. Having no knowledge of the sterilization mechanism and the structure-activity relationship, a person skilled in the art can hardly make a reasonable forecast that other compounds would also achieve a technical effect of bacteria sterilization similar to the compound in Example 397 just on the basis of the activity effect of the compound in Example 397. Since the description of the present application provides the method for testing activity of the compounds, the patent applicant is obliged to disclose the testified technical effect as claimed in the description, rather than place a person skilled in the art or the public under the obligation to verify numerous compounds one by one and make a selection among them. Sufficient disclosure of experimental data in the original application documents at the time of filing date is a legal obligation of a patent applicant for winning a patent right and can avoid squatting of earlier filing date by some patent applicants by way of broadly delimiting unfinished invention-creations by

the filing date. For this reason, the PRB was correct in refusing experimental data concerning the activity of the relevant compounds supplemented by Otsuka after the filing date. The compounds recited in the existing evidence submitted by Otsuka was different from the compound in Example 397 either in the main structure of “2, 3-dihydro-6-nitroimidazo [2,1-b] oxazole” or R^2 substituent at 2-position, wherein many compounds do not have anti-inhibitory activity against certain bacteria as recited in the description of the present application. These existing evidence can prove neither that a person skilled in the art is capable of reasonably predicting that any compound containing “2, 3-dihydro-6-nitroimidazo [2,1-b] oxazole” has the bactericidal activity as asserted in the description of the present application, nor that a person skilled in the art is capable of reasonably predicting that other compounds claimed in claim 1 of the present application also have the bactericidal activity as asserted in the description of the present application.

Amendments to an invention or utility model patent going beyond the scope of initial disclosure means that amendments go beyond the scope of disclosure contained in the original description and claims, rather than the scope of disclosure contained in the description alone

Article 33 of the Patent Law provides that the basis for judging whether amendments to an invention or utility model patent exceed beyond the scope of initial disclosure is the scope of disclosure contained in the original description and claims. Thus, examination in this regard should not be limited to the scope of disclosure contained in the description alone. “Scope of disclosure contained in the original description and claims” shall be determined according to the technical content disclosed in the original description and claims from the perspective of a person of ordinary skill in the art. Any technical content that has been disclosed in the original description and claims shall be construed as falling within the scope of disclosure contained in the original description and claims.

In *Osram Opto Semiconductors GMBH (hereinafter referred to as ‘Osram GMBH’ briefly) v. PRB and Lejin Electronic Co., Ltd. (hereinafter referred to as ‘Lejin Co.’ briefly)*, an administrative dispute over invalidation of an invention patent right², Osram GMBH is the patentee of the invention titled “light-radiating semiconductor chip and apparatus containing the same”. The PRB and the first-instance court both held that when drafting the original application documents, the applicant tended to define various features re-

spectively in the description and listed their corresponding alternatives. However, it is impossible to conclude that the original application documents have certainly disclosed all the permutations. Epoxy resin was deleted in the invalidation proceedings based on the understanding of the prior art; however, it can be known from the relevant information disclosed in the description of the parent application, especially the information disclosed in the embodiment for which the technical effect has been testified, that the technical problem is solved with its corresponding technical effect achieved by means of such a particular combination as rare-earth-mixed orthosilicate doped in epoxy resin, whereas the particular combination of technical features defined in the retained technical solution has never been clarified in the parent application. As indicated by the statements in the invalidation proceedings, the technical problem and technical effect of orthosilicate doped in silicone have been substantially changed as compared with those of orthosilicate doped in epoxy resin. It can be seen that there is a structural and/or functional synergy between a luminescent material and a matrix material, and accordingly, the change of the technical effect resulting from such a selection is unpredictable. However, the parent application disclosed, in no way, the synergy between “a luminescent material that is selected from the group comprising rare-earth-mixed orthosilicate...” and “an encapsulating material that is selected from the group comprising silicone...”, or the particular combination based on such synergy. A person skilled in the art can, from the disclosure of the parent application, neither know existence of the technical problem nor obtain the technical effect to be achieved, let alone make a particular selection of technical features to thereby arrive at the technical solution claimed in claim 1. To sum up, the amendment to claim 1 leads to a new technical solution that exceeds beyond the scope of original disclosure, which does not meet the requirement of Article 33 of the Patent Law as of 2000.

The second-instance court held that the dispute of this case focused on whether the technical solution of the particular combination, namely “a luminescent material that is selected from the group comprising rare-earth-mixed orthosilicate...” and “an encapsulating material that is selected from the group comprising silicone...”, has been recited in the parent application. It was recited in the description of the parent application that “in another particularly preferred extension and its embodiment of the invention, a luminescent conversion encapsulation or luminescent conversion layer is

made of lacquer or plastic, for example, of a silicone, thermoplastic or thermoset material (epoxy resin, polymethylmethacrylate) used for encapsulating photoelectronic components. In addition, the coverage element made of a thermoplastic material can, for example, be used as a luminescent conversion encapsulation. All the above materials are allowed to be doped with one or more luminescent materials in a simple manner.” It can be directly and unambiguously determined from the above paragraph that “silicone” and “epoxy resin” are two parallel alternative matrixes (also known as “encapsulations”) recited in the original disclosure, and “all the above materials” (including “silicone” and “epoxy resin”) can be doped with one or more luminescent materials. The description of the parent application recited “a semiconductor device according to the present invention is particularly advantageous in that the light-emitting conversion element is at least partially made of a transparent epoxy resin doped with an inorganic luminescent material. That is to say, the inorganic luminescent material can be advantageously doped into the epoxy resin in a simple manner. A particularly preferred inorganic luminescent material for manufacturing a semiconductor device of the present invention that emits white light is phosphor YAG: Ce (Y₃Al₅O₁₂: Ce³⁺) ... In addition, in order to produce different mixed colored lights, ... it is easily conceivable that ... rare-earth-mixed orthosilicate M₂SiO₅:Ce³⁺ can also be used.” It showed that the description explicitly recited that “rare-earth-mixed orthosilicate” serves as the luminescent material doped into the matrix, so the teachings and suggestions that a person skilled in the art obtained from the description of the parent application included all the permutations of the listed matrix materials respectively added with various luminescent materials as disclosed in the embodiments. Even though the description failed to describe all the specific permutations in detail, detailed depiction of various added luminescent materials in the embodiments, and clear indication in the Summary of the Invention that both “silicone” and “epoxy resin” can be added with luminescent materials are sufficient to make a person skilled in the art understand that the description recites all the permutations of “silicone” and “epoxy resin” respectively combined with various luminescent materials as listed in the embodiments. Although the description of the parent application only provides a few embodiments regarding the combination of luminescent materials with alternative matrixes, the description explicitly indicates that different luminescent materials can be combined

with alternative matrixes in a reasonable manner, and additionally, the Patent Law never sets forth the provision that the description should present all potential embodiments one by one, and a patent applicant is allowed to make a reasonable generalization of the application. For this reason, a person skilled in the art can directly and unambiguously derive therefrom that doping rare-earth-mixed orthosilicate into a silicone matrix is the technical solution disclosed in the description of the parent application of the present patent.

Experimental data regarding therapeutic efficacy of a Markush claim shall dispel doubts about the authenticity of therapeutic efficacy from the mind of a person skilled in the art

In the event that a person skilled in the art cannot directly determine from the prior art that at least a portion of the claimed Markush compounds has particular therapeutic efficacy, he is likely to cast doubts over this issue. To meet the requirement for sufficient disclosure of the description, the description shall recite corresponding experimental data so that a person skilled in the art will not have a reasonable doubt that at least a portion of the claimed Markush compounds has particular therapeutic efficacy. The corresponding experimental data that can dispel reasonable doubts of a person skilled in the art must be sufficient to prove that the inventor has confirmed the particular therapeutic efficacy of at least one of the claimed compounds through experiments before the filing date and to allow a person skilled in the art to testify whether the experiments are real thereafter. Otherwise, a person skilled in the art might have a reasonable doubt that the therapeutic efficacy recited in the description by the inventor is not true, which is deemed to be noncompliant with the provision of Article 26.3 of the Patent Law.

In *Array Biopharma Inc. (hereinafter referred to as 'Array Inc.' briefly) v. PRB*, an administrative dispute over rejection and re-examination of a patent application for invention³, Array Inc. filed with the SIPO a patent application for invention titled "N4-phenyl-quinazoline-4-amine derivatives and related compounds as ERBBI type receptor tyrosine kinase inhibitors for the treatment of hyperproliferative diseases". The SIPO and the first-instance court both held that the description of the present application failed to objectively and clearly describe the test results of the specific compounds as claimed in claim 1 such that a person skilled in the art cannot determine whether multiple compounds in claim 1 have kinase inhibiting activity, let alone speculate whether the compounds have the said multiple medical uses. Thus,

the description of the present application does not explain the invention in a clear and complete manner, which does not meet the requirement of Article 26.3 of the Patent Law.

The second-instance court held that the biological embodiments in the description of the present application neither clearly recite from which compound (s) we can draw the conclusions that "the IC50 in the compounds of the present invention ranges from 1nM to 50mM" and "the compound of the present invention in this experiment has the IC50 that is less than 1 μ m", nor objectively or clearly describe the specific test processes and results of any particular compounds, thereby rendering it unlikely to prove that the inventor has confirmed at least one of the claimed compounds has kinase inhibiting activity prior to the filing date and the inventor has made inventive technical contributions to kinase inhibiting activity of the claimed compounds. Thus, a person skilled in the art has sound reasons to doubt that the claimed compounds have no kinase inhibiting activity and the corresponding data regarding the therapeutic efficacy recited in the description may be untrue. In this case, a person skilled in the art, based on the description, cannot achieve the technical effects of the claimed technical solutions, and the description of the present application does not sufficiently disclose the technical effects.

If the prior-art technical solution falls within the protection scope of the disputed technical solution, then the disputed technical solution lacks novelty

A method for use in judging patent infringement can be utilized to assess novelty because possession of novelty can be interpreted from another perspective: if the technical solution as a prior art falls within the protection scope of the disputed technical solution, it means that the disputed technical solution incorporates the prior art into its protection scope; however, the technical solution incorporating the prior art should not be protected as a patent right and lacks novelty. Thus, the method for use in judging patent infringement can be utilized to judge whether the disputed technical solution possesses novelty. The rationale of this method lies in that if the prior-art technical solution includes all the technical features of the disputed solution and falls within the protection scope thereof, then the disputed technical solution lacks novelty. If the disputed technical solution does not include all the technical features of the prior-art technical solution, or in other words, the prior-art technical solution has more features as compared with the disputed technical solution, it cannot be deemed that the disputed technical solution pos-

sesses novelty just because the more features constitute distinguishing technical features over the disputed technical solution.

In *ZTE Corporation (hereinafter referred to as 'ZTE' briefly) v. PRB and InterDigital Technology Corporation (hereinafter referred to as 'IDC' briefly)*, an administrative dispute over invalidation of an invention patent⁴, IDC is the owner of the invention patent titled "automatic power control system for a code division multiple access (CDMA) communications system", and ZTE filed a request for invalidating the present patent. Both the PRB and the first-instance court held that the present patent is in conformity with Articles 22.2, 22.3, 26.3 of the Patent Law and Rule 20.1 of the Implementing Regulations of the Patent Law and decided to maintain the validity of the patent.

The second-instance court deemed that the PRB found claim 1 of the present patent novel by means of a reverse comparison method, in which the technical feature of claim 1 of the present patent over the references, "despreading by PN code prior to despreading by irrelevant codes", is not regarded to be a distinguishing technical feature of claim 1 over the references. The PRB's finding is wrong mainly for the following reasons: 1. lack of limitation does not mean exclusion. Claim 1 of the present patent does not exclude the possibility of despreading by PN codes prior to despreading by irrelevant codes. Having read the description of the present patent, a person skilled in the art cannot directly and unambiguously determine the signals spread by "irrelevant codes" would not be spread by PN codes. For this reason, claim 1 of the present patent might include the circumstance of despreading by PN code prior to despreading by irrelevant codes; and 2. even though the difference lies in a limitation defined by said feature, said feature does not constitute a distinguishing technical feature. In the present case, IDC argued in the second-instance procedure that claim 1 of the present patent does not have the technical feature concerning despreading by PN code, and thus "despreading by PN code" constitutes the distinguishing technical feature. This is a conclusion drawn on the basis of the reverse comparison and should not be supported.

GUI designs can be grantable subjects of design patents but with electrification patterns clearly presented

GUI designs are grantable subjects of design patents as provided in Article 2.4 of the Patent Law. Under the circumstances that the Patent Law allows patentability of GUI designs, the PRB cannot refuse to grant patent rights for the

GUI designs according to the Guidelines for Patent Examination as of 2010. The Guidelines for Patent Examination are only departmental administration rules, rather than legal or administrative regulations, and the people's courts should judge whether designs inclusive of electrification patterns are grantable subjects of design patents under Article 2.4 of the Patent Law. Although it is provided in the Guidelines for Patent Examination that "the patterns shown when the product is electrified" are ineligible for design patent protection, the provision should not be broadly construed as that any application for design including the patterns shown when the product is electrified shall be excluded from design patent protection under Article 2.4 of the Patent Law and on the basis of the above analysis. In other words, not all the patterns shown when the product is electrified are ineligible for design patent protection. If the GUI shown when the product is electrified is a portion of the holistic product design, or the holistic product design includes the GUI, such a patent application for design shall not be rejected for being incompliant with Article 2.4 of the Patent Law because it is still a design for the holistic product appearance.

In *Apple v. PRB*, an administrative dispute over rejection and re-examination of a design application⁵, Apple filed with the SIPO a patent application for design titled "portable display device (with GUIs)", and the original examination section of the SIPO rejected the present application. The PRB held that the present application does not meet the requirement of Article 2.4 of the Patent Law as it falls into the non-patentable circumstances for design patent as stipulated in the Guidelines for Patent Examination, i.e., "the pattern shown when the product is electrified, such as the pattern on the electronic watch dial, the pattern on the screen of the mobile phone, software interface, and so on", and decided to maintain the Decision on Rejection of the present application issued by the SIPO. The first-instance court ruled that a product design including GUIs is eligible as a subject of design patent under Article 2.4 of the Patent Law, and the PRB shall re-examine the application while taking patentable elements into account. For this reason, the first-instance court decided to revoke the Decision No. 49596 and ordered the PRB to make a new Reexamination Decision.

The second-instance court held that although the design of the entire product including a GUI visible when electrified may be eligible as a subject of design patent, the patent applicant, for accurate determination of the design content, should indicate properly, in the picture or photo, or the Sum-

mary of the Design, which parts of the picture or photo are the patterns shown when the product is electrified. In the present case, Apple failed to clearly indicate which parts of the picture or view are the patterns shown when the product is electrified. Although there is no dispute between the PRB and Apple over which parts are the patterns shown when the product is electrified, a design patent is a public disclosure, and the fact that the SIPO and patent applicant know the patterns shown when the product is electrified does not necessarily mean that the relevant public is clear about which parts of the picture or photo are the patterns shown when the product is electrified. For this reason, the PRB shall pay attention to this matter in the re-examination proceedings.

The Interpretation of “comprising” in a product claim in a mechanical field

According to the provision in the Guidelines for Patent Examination, any claim having such a literal expression as “comprising” is usually deemed to be an open-ended claim. This provision, however, should not be understood in an over-absolute and mechanical way. The real meaning and protection scope of a claim shall be determined in the context of claims, description and drawings.

In *Taian Jinshan Rubber Industry Co., Ltd. (hereinafter referred to as ‘Jinshan Co.’ briefly) v. PRB and Pinglu Kangle Rubber Technology Development Co., Ltd. (hereinafter referred to as ‘Kangle Co.’ briefly)*, an administrative dispute over invalidation of an invention patent⁶, the patent in suit is an invention patent owned by Jinshan Co. and titled “automatic rubber powder plasticizing method and apparatus for the same”, wherein the allowed claim 2 reads “an apparatus for plasticizing automatic rubber powder according to claim 1, characterized by comprising a stirring unit (1), a feeding unit (2), a thermal reaction unit (3) and a cooling unit (4), wherein the thermal reaction unit (3) is provided with a heating unit (5), the cooling unit (4) is equipped with a cooling circulation unit (6), an outlet of the stirring unit (1) is in communication with an inlet of the feeding unit (2), an outlet of the feeding unit (2) is in communication with an inlet of the thermal reaction unit (3), and an outlet of the thermal reaction unit (3) is in communication with an inlet of the cooling unit (4).” Kangle Co. filed a request for invalidating the patent in suit including the above claim 2. In response to Jinshan Co.’s view that “the apparatus of claim 2 of the present patent has a better technical effect as it is structurally simpler than that of E1”, the PRB believed that claim 2 of the present patent is

drafted in an open-ended manner, i.e., by using “comprising” instead of “consisting of”, that is to say, all the technical solutions comprising a stirring unit, a feeding unit, a thermal reaction unit and a cooling unit and their connections fall within the protection scope of claim 2 of the present patent. Thus, the assertion of Jinshan Co. cannot be supported, and the PRB declared claim 2 invalid. The first-instance court agreed with the PRB’s decision and upheld the decision as appealed.

The second-instance court deemed that although claim 2 contains such a term as “comprising”, it is understandable in the literal context of claim 2 that the technical solution thereof consists of the following four units, i.e., a stirring unit, a feeding unit, a thermal reaction unit and a cooling unit, wherein the outlet of the stirring unit is in communication with the inlet of the feeding unit, the outlet of the feeding unit is in communication with the inlet of the thermal reaction unit, and the outlet of the thermal reaction unit is in communication with the inlet of the cooling unit. It can also be determined from the description and drawings that the technical solution of claim 2 consists of a stirring unit, a feeding unit, a thermal reaction unit and a cooling unit, which are communicated with each other. Thus, it cannot be simply concluded that claim 2 is an open-ended claim just because of the expression “comprising” therein. The relevant decisions made by the PRB and the trial court were out of context of language use and lacking in factual and legal support.

Ascertained electronic evidence can be accepted

A patent invalidation proceeding is initiated at the request of the party concerned after patent announcement and grant and usually involves both parties concerned. The PRB is in a neutral position in the invalidation proceeding at the request of the party concerned. Electronic evidence is a type of legal independent evidence. In a design patent invalidation lawsuit, electronic evidence can be accepted according to law if it is found to be published before the filing date of the patent in suit and can reflect the design elements in a clear and complete manner. The prior design in the electronic evidence can function as a comparative design used to assess whether the design patent in suit possesses novelty and inventive step.

In *Wu Shuxiang v. PRB and Dong Jianfei*, an administrative dispute over design patent invalidation⁷, the patent in suit is a design patent No. 201030506103.8 owned by Dong Jianfei, titled “crystal drilling jig (5)”, which was filed on 7 September 2010 and issued on 6 April 2011. Wu Shuxiang

filed a request for invalidation of the present patent to the PRB on the grounds that the present patent did not meet the requirement of Article 23 of the Patent Law, evidenced by the following documents. Attachment 1 is a copy of a notarized certificate No. 2461, totalling 17 pages. Attachment 1 regarding the website of www.gongchang.com was notarized on 14 August 2012. Page 7 of Attachment 1 was a web page indicating the words “wholesale of drilling jigs”, with a picture of a drilling jig below released on 16 August 2010. Page 10 of Attachment 1 was a web page indicating the words “wholesale of drilling jigs”, with a picture of a drilling jig below released on 8 March 2010. Attachment 2 was a reply issued by Shanghai Xizhi Information Technology Co., Ltd. to Jinhua City Intermediate People's Court of Zhejiang Province, stating that the Chinese website, www.gongchang.com, operated by our company is an information service platform, in which all user information was published by users themselves. Attachment 3 was a copy of a notarized certificate No. 2527, totalling 26 pages. It, regarding the website of www.alibaba.com.cn, was notarized on 17 August 2012. Open the log-on page and then click “alibaba member”. Enter “zjlxjq” in the “username” box, and corresponding password and security code in the “password” and “security code” boxes. Click the login button to open relevant webpages and print them out. “My photo” in page 17 of Attachment 3 included three pictures, all of which are pictures of drilling jigs. The notarized certificate No. 2527 stated that a notary attempted to edit the above-mentioned three pictures, but the webpage indicated that the editing application was not available at present. Attachment 4 was a reply made by Hangzhou City Alibaba Advertising Co., Ltd. to Jinhua City Intermediate People's Court of Zhejiang Province on 22 August 2012, stating that the user of www.alibaba.com.cn, “Lanxi City Machinery Manufacturing Factory” (user ID: zjlxjq), made the following reply as to the specific releasing time of the three pictures in suit: the pictures with ID 140970578, 140970873 and 140971213 respectively were all created on 22 July 2010. Moreover, what needs to be explained was that the website of www.alibaba.com.cn operated by Hangzhou City Alibaba Advertising Co., Ltd. was an information service platform, and all the user information was released by users themselves. The PRB held that information on the webpages is editable, and the existing evidence neither proves the originally generated content of the downloaded webpages indicated in the notarized certificates, nor excludes the possibility of amending the webpages before

being downloaded. For this reason, the product pictures shown on the webpages as alleged by Wu Shuxiang were not necessarily uploaded on the above dates. Attachments 1 and 2 are not sufficient to prove the fact that the pictures as alleged by Wu Shuxiang were released prior to the filing date of the present patent. The pictures as alleged by Wu Shuxiang were stored under a catalogue which is accessible to particular users, but not to the public, thereby failing to constitute the prior art prior to the filing date of the present patent. The first-instance court stated that the evidence submitted by Wu Shuxiang can be used to prove that the present patent does not meet the requirement of Article 23 of the Patent Law.

The second-instance court held that Attachments 1 and 3 are electronic data evidence and serve as independent legal evidence. Ascertained electronic data evidence can serve as direct evidence to confirm the facts of the case. The picture of the drilling jig shown on page 7 of Attachment 1 was released on 16 August 2010, and the one on page 10 were released on 8 March 2010, both of which were earlier than the filing date of the present patent, i.e., 7 September 2010. Attachments 1 and 3 were obtained through notarization by a notary office, the probative effect of which is higher than that of other types of evidence. Without sufficient counter-evidence to overturn the above evidence, it can be confirmed that the pictures in Attachments 1 and 3 were published earlier than the filing date of the present patent. Although Dong Jianfei asserted that the creating time of the pictures in Attachments 1 and 3 was not equal to the releasing time thereof, he provided no evidence as a proof. Evidence provided by the operators of www.gongchang.com and www.alibaba.com.cn all proved that the user information was released by users themselves. According to the preponderance of the evidence, it can be determined that the creating time of the pictures on the website is equal to the publishing time thereof to the public. Hence, in full consideration of formation, storage and transmission of the pictures provided by Wu Shuxiang, it is deemed that Attachments 1 and 3 are sufficient to prove that the present patent has been disclosed before the filing date. Wu Shuxiang, as an invalidation requester, filed Attachments 1 and 3 to the PRB to finish his preliminary burden of proof. Dong Jianfei asserted that Attachments 1 and 3 were amended and edited, and therefore Dong Jianfei shall bear the corresponding burden of proof, and it is improper to let the PRB make a decision *ex officio*. However, in the present case, the PRB directly decided

that the information indicated on the webpages was editable without provision of any counter-evidence, and the existing evidence neither proved the first-generated content of the downloaded webpages indicated in the notarized certificate, nor excluded the possibility of amending the webpages before being downloaded. The PRB was far away from the neutral position that it should take when verifying evidence as thus.

The PRB shall examine the grounds for rejection first before examining “obvious substantive defects” *ex officio* during the re-examination procedure

The Guidelines for Patent Examination provides that “the re-examination procedure is a relief procedure initiated by the applicant who is dissatisfied with the decision on rejection of the application by the Patent Office; meanwhile, it is a continuation of the examination procedure for a patent application. Therefore, on one hand, the PRB normally restricts its examination to the grounds and evidence on which the decision on rejection is based, and is not obliged to undertake a comprehensive examination on the patent application; on the other hand, the PRB may conduct examination *ex officio* on the other obvious substantive defects than those mentioned in the Decision on Rejection, so as to improve the quality of the patent granted and avoid unreasonable prolongation of the examination and granting procedure.” Accordingly, the PRB can conduct *ex officio* examination of the obvious substantive defects that are not mentioned in the Decision on Rejection during the re-examination procedure of a rejected patent application for invention. Although the procedural justice of an application for re-examination by an applicant is sacrificed to some extent, since the PRB examines “obvious substantive defects” in order to essentially resolve disputes while keeping in mind fairness and efficiency, it is somewhat tolerable that the PRB can examine *ex officio* “obvious substantive defects that are not mentioned in the Decision on Rejection” in the re-examination procedure of a rejected patent application for invention. However, the tolerance of *ex officio* examination by the PRB is usually limited to “obvious substantive defects that are not mentioned in the Decision on Rejection”. If the defects were mentioned in the Decision on Rejection, the PRB can examine them during the re-examination procedure irrespective of whether they are “obvious substantive defects”. Similarly, if the defects that are not mentioned in the Decision on Rejection are not “obvious substantive defects”, they are not within the scope of *ex officio* examination by the PRB. In addition, the PRB shall fol-

low the hearing principle during the *ex officio* examination to ensure the applicant's right and opportunity to make observations. However, it should be noted that “obvious substantive defects that are not mentioned in the Decision on Rejection” are not expressly stipulated in the Guidelines for Patent Examination. Although it is somewhat reasonable to allow the PRB to examine “obvious substantive defects that are not mentioned in the Decision on Rejection” during the examination of the patent application for invention, the PRB is suspected of abusing the provision regarding “obvious substantive defects that are not mentioned in the Decision on Rejection”, which is mainly reflected in the facts that there appear more and more cases of the PRB directly deciding to maintain the Decision on Rejection without examining the request for re-examination on the grounds that are not mentioned in the Decision on Rejection, that the PRB tends to construe “obvious substantive defects that are not mentioned in the Decision on Rejection” arbitrarily, and that any ground for changing the Decision on Rejection by the PRB is interpreted as “obvious substantive defects that are not mentioned in the Decision on Rejection”. In this case, “obvious substantive defects that are not mentioned in the Decision on Rejection” must be construed strictly, and the PRB shall examine “obvious substantive defects that are not mentioned in the Decision on Rejection” only after the applicant's request for re-examination is found untenable after examination.

In *Fresenius Medical Care Deutschland GMBH (hereinafter referred to as ‘Fresenius GMBH’ briefly) v. PRB*, an administrative dispute over re-examination of a patent application for invention⁸, the present application is a patent application for invention titled “method and apparatus for determining the hydration and/or nutrition status of a patient” that is filed by Fresenius GMBH on 21 December 2004, including 17 claims. The SIPO decided to reject the present patent after examination on the grounds that claims 1 to 8 of the present application fall within the circumstances as stipulated in Article 25.1 (3) of the Patent Law; claims 9 and 11 do not meet the requirement on novelty of Article 22.2 of the Patent Law; and claims 10, and 12 to 17 do not meet the requirement on inventive step of Article 22.3 of the Patent Law. Fresenius GMBH was dissatisfied with the Decision on Rejection and therefore filed a request for re-examination to the PRB, together with substitute sheets replacing the full set of claims, wherein claims 1 to 8 were deleted and the rest claims were renumbered accordingly. The PRB held that the technical solution of claim 1 of the present application was

not supported by the description, which does not meet the requirement of Article 26.4 of the Patent Law, thereby deciding to maintain the Decision on Rejection of the present application made by the SIPO. The first-instance court upheld the decision as appealed.

The second-instance court held that as for a patent application for invention, the patent administrative department under the State Council shall conduct substantive examination at the request of the applicant or *ex officio* after the preliminary examination being found eligible and make a decision thereafter. If the applicant is dissatisfied with the decision of substantive examination made by the patent administrative department under the State Council, he may file a request for re-examination according to law, and the PRB shall conduct examination at the applicant's re-examination request. The relationship between the principle of examination upon request and exception of *ex officio* examination shall be handled properly in the patent re-examination procedure. Although the Guidelines for Patent Examination stipulate both the principle of examination upon request and the principle of *ex officio* examination, it should be noted that with the principle of examination upon request as the basis, the *ex officio* examination shall never be a principle for re-examination of the rejected invention patent, but an exception or supplement to the request principle at most. In the present case, the Decision on Rejection ruled that the original claim 9 (namely, the amended claim 1) of the present application does not meet the requirement on novelty of Article 22.2 of the Patent Law, and the patentee, Fresenius GMBH, requested for re-examination on the grounds that the original claim 9 (namely, the amended claim 1) of the present application meets the requirement on novelty of Article 22.2 of the Patent Law. However, the PRB directly determined in the Decision of Re-examination that the original claim 9 (namely, the amended claim 1) of the present application does not meet the requirement of Article 26.4 of the Patent Law without conducting an examination at the re-examination request of Fresenius GMBH. Irrespective of whether claim 1 is non-compliant with the provision of Article 26.4 of the Patent Law is an obvious substantive defect or not, the PRB's determination of claim 1 being non-compliant with the provision of Article 26.4 of the Patent Law without examining the patentee's re-examination request is procedurally illegal and shall be corrected by the court. Moreover, examination as to novelty involves introduction of reference documents, whereas examination as to Article 26.4 of the Patent Law only involves examination of

patent documents. And there is no evidence to prove that examination as to Article 26.4 of the Patent Law has priority over examination as to novelty, or there is no evidence to prove that if examination moves to whether a patent application for invention possesses novelty during the examination procedure, it certainly means that the patent application for invention is found to be in compliance with the provision of Article 26.4 of the Patent Law through examination. Hence, it is legally groundless that the PRB's change of the ground for rejection of the present application from lack of novelty to non-compliance with Article 26.4 of the Patent Law is made due to "an obvious substantive defect that is not mentioned in the Decision on Rejection". Meanwhile, the technical solution of claim 1 of the present application is clearly recited in the description, and thus claim 1 of the present application is supported by the description. There is no basis for the PRB's decision that the technical solution of claim 1 of the present application is not supported by the description and therefore does not meet the requirement of Article 26.4 of the Patent Law. The second-instance court decided to revoke the appealed decision of the first trial and ordered the PRB to re-issue an examination decision.

Determination of the principle of examination upon request and exception of *ex officio* examination during the invalidation proceeding

Patent rights are, in nature, private rights. The PRB shall follow the principle of examination upon request in the invalidation proceeding of patent rights, that is, the PRB will normally examine the scope of and grounds for invalidation request, as well as evidence, submitted by the parties concerned, and is not necessarily obliged to fully examine the validity of a patent. There is an exception of *ex officio* examination besides the principle of examination upon request. For example, a patent which a requester requests to declare invalid has a plurality of claims that are in dependency relation. When the requester only requests to declare dependent claims invalid, rather than the claim referred to by dependent claims on the same grounds, if the same grounds for invalidation are not used to examine whether the claim referred to shall be declared invalid, it is unlikely to draw a correct examination conclusion. In this case, the PRB can *ex officio* introduce the same grounds for invalidation to examine whether the claims referred to shall be declared invalid. It should be noted that the PRB should not start the invalidation proceeding of a patent on its own initiatives, and examination upon request is the principle used in the invalidation pro-

ceeding of the patent, and *ex officio* examination is never the principle used in the invalidation proceeding, but an exception to the principle of examination upon request. In addition, the PRB shall follow the hearing principle during the *ex officio* examination to ensure the applicant's right and opportunity to make observations.

In *Ningbo Comfort Fitness Equipment Co., Ltd. (hereinafter referred to as 'Comfort Co.' briefly) v. PRB and Shanghai Rongtai Fitness Technology Development Co., Ltd. (hereinafter referred to as 'Rongtai Co.' briefly)*, an administrative dispute over invalidation of a utility model patent⁹, Comfort Co. owns a utility model patent No. 201120242508.4 titled "chair-type massage machine", but Rongtai Co. filed a request to the PRB for invalidation of the entire patent. Rongtai Co. clarified its grounds for and scope of invalidation, as well as evidence to be used during the oral hearing, i.e., claims 1, 2 and 4 to 6 of the present patent do not meet the requirement of Article 22.2 of the Patent Law; claims 3, 4 and 7 do not meet the requirement of Article 22.3 of the Patent Law, wherein Exhibits 2 and 3 are used in combination to assess the inventive step of claims 3 and 4, Exhibits 2 and 3 in combination with common knowledge are used to assess the inventive step of claim 7; claim 5 does not meet the requirement of Article 26.4 of the Patent Law; and the description does not meet the requirement of Article 26.3 of the Patent Law. The PRB concluded that claim 1 of the present patent possesses novelty, and claims 2, 4, 5 and 6 according to claim 1 possess novelty, and decided that claims 1 to 6 were declared invalid, and the present patent was maintained valid on the basis of claim 7. The first-instance court deemed that it is legally groundless for the PRB to conduct *ex officio* examination of the inventive step of claims 2, 5 and 6 of the present patent, that claims 1, 3 and 4 lack inventive step under Article 22.3 of the Patent Law, and that the decision as appealed shall be revoked and the PRB shall make a new examination decision. The PRB filed an appeal as being dissatisfied with the decision of first trial.

The second-instance court held that Rongtai Co. asserted that claims 1, 2, 4, 5 and 6 of the present patent lack novelty and claims 3, 4 and 7 lack inventive step. As the Decision No. 21059 indicated, when examining whether claims 1, 2, 4, 5 and 6 of the present patent possess novelty, the PRB only confirmed through examination the novelty of claim 1 of the present patent and directly concluded that claims 2, 4, 5 and 6 possess novelty due to their dependencies on claim 1. That is to say, the PRB did not decide in the Decision No.

21059 that the additional technical features of claims 2, 5 and 6 of the present patent have been disclosed in Exhibit 2. The PRB's assertion that the additional technical features of claims 2, 5 and 6 of the present patent have been disclosed in the Exhibit 2 was contrary to the facts. Examination on inventive step of claims 2, 5 and 6 of the present patent by the PRB based thereupon violated the principle of examination on request and does not fall within the scope of *ex officio* examination by the PRB. Hence, the trial court was correct in concluding that the PRB's examination on inventive step of claims 2, 5 and 6 of the present patent was in breach of legal procedures.

Application of full coverage principle in equivalent infringement

The protection scope of an invention or utility model patent is co-determined by the technical features in the preamble portion and those in the characterizing portion, not by the technical features in the characterizing portion alone, because an invention or utility model patent must be a complete and implementable technical solution, and a technical solution without the preamble portion of an independent claim is not a complete technical solution. "Full coverage principle" must be followed in the judgment on patent infringement, i.e., as for judgment on whether the allegedly infringing technical solution falls within the protection scope of a patent, it is required to examine all the technical features recited in the claims and compare all the technical features recited in the claims with the corresponding technical features of the allegedly infringing technical solution on a one-to-one basis. "Full coverage principle" is applicable for not only identical infringement, but also equivalent infringement. In equivalent infringement judgment, if the allegedly infringing product has one or more features less than, or neither identical nor equivalent to, those recited in the compared patent, it shall be determined that the technical features of the allegedly infringing product do not fall within the protection scope of the patent right.

In *Xu Guang v. Beijing Wucaijinghong Trade Center, and Hebei Lede E-bicycle Co., Ltd.*, a dispute over infringement on an invention patent¹⁰, Xu Guang is a patent owner of the invention No. ZL200910131158.1, titled "foldable tricycle", wherein claim 1 reads "a foldable tricycle, comprising a tricycle body including a front face, a main beam, a lever, a chassis, a seat face, a hook, a seat back, a fork arm, a pedal, a link rod, a quick release, and a handlebar, characterized in that the upper end of the front face is hinged with the

front end of the lever, and the rear end of the lever is hinged with the front end of the chassis, the lower end of the front face is hinged with the front end of the main beam, and the main beam is crossly hinged with the chassis, thereby forming a front quadrilateral; the rear end of the main beam is hinged with the lower portion of the seat face, the front end of the seat face is provided with the hook, the rear end of the seat face is hinged with the seat back, and the lower end of the seat back is hinged with the rear end of the chassis, thereby forming a rear quadrilateral; where the hook hooks the main beam, the rear quadrilateral is converted into a triangle, and the front quadrilateral is meanwhile converted into a triangle under the action of crossed hinging, rendering the tricycle deployed; when the hook is opened, the front and rear triangles are converted into quadrilaterals, the activity of which is utilized to fold the tricycle; the upper end of the fork arm is welded to the front face, the lower end of the fork arm is hinged with the front end of the pedal, the rear end of the pedal is hinged with the lower end of the link rod, and the upper end of the link rod is hinged with the lower portion of the seat face, thereby folding the pedal.”

The focus of the dispute of the present case lies in judgment on whether the “fastener” of the allegedly infringing product is equivalent to “a quick release” of the patent in suit. The patentee agreed in the lawsuit that the allegedly infringing product did not have “a quick release”, but the “fastener” functions the same as the “quick release”, thereby constituting an equivalent technical solution. The first-instance court held that the object of the invention of the present patent is to achieve the folding of the tricycle through conversion of the front and rear quadrilaterals into triangles. The allegedly infringing product had no “quick release” in comparison with the present patent. According to the description of the present patent, “the quick release” functions to achieve relative rotation of the handlebar with respect to the front wheel, so that the angle between the handlebar and the front wheel ranges from 90 degrees to 0 degree for the sake of folding, which can be achieved barehanded with no help of other tools, in a quick and convenient manner. “The fastener” of the allegedly infringing product functions to fasten the handlebar post with the front fork post. Although it can achieve the function of angle adjustment, the aid of tools is a must. In this case, the allegedly infringing product actually constitutes a deteriorating technical solution with respect to the present patent, thereby achieving a different effect by utilizing a different technical means. Hence, the “fastener” of

the allegedly infringing product does not constitute a technical solution equivalent to the “quick release” of the present patent, and therefore does not fall within the protection scope of the present patent.

The second-instance court held that the equivalent infringement shall be judged under the “full coverage principle”, whether the allegedly infringing technical solution has a deteriorating technical function or effect due to lack of some patented technical feature is not a factor that should be taken into account in the judgement on equivalent infringement. In comparison of the “fastener” of the allegedly infringing technical solution with the “quick release” of the present patent, the former adopts two hexagon socket head cap screws as a fastening method and is fastened or removed by such a special tool as an Allen wrench, whereas the latter can be removed barehanded; the former is to fasten the handlebar post with the front fork post to make them firmly fixed, whereas the latter is to allow for free change of the angle between the handlebar and the front wheel between 90 degrees and 0 degree; the former is fixed during installation to ensure the normal use of the tricycle, with no need of readjustment of the tricycle during folding and deployment, whereas the latter is used to adjust the angle between the handlebar and the wheels during the folding and deployment of the electronic bicycle. Hence, the “fastener” and the “quick release” are not equivalent features in terms of means, function and effect. The allegedly infringing technical solution does not fall within the protection scope of the patent right. ■

(written by Liu Xiaojun, reviewed by Yang Boyong)

¹ See the Beijing Higher People’s Court’s Administrative Judgment No. Gaoxingzhongzi 382/2014 issued on 6 May 2014 (the judges of the Panel were Liu Xiaojun, Yuan Xiangjun, Ma Jun and the handling judge was Liu Xiaojun) and the Beijing No. 1 Intermediate People’s Court’s Administrative Judgment No. Yizhongzhixingchuzi 2920/2013.

² See the Beijing Higher People’s Court’s Administrative Judgment No. Gaoxingzhongzi 2407/2013 issued on 18 August 2014 (the judges of the Panel were Cen Hongyu, Liu Qinghui, Jiao Yan and the handling judge was Jiao Yan) and the Beijing No. 1 Intermediate People’s Court’s Administrative Judgment No. Yizhongzhixingchuzi 1276/2013.

³ See the Beijing Higher People’s Court’s Administrative Judgment No. Gaoxingzhongzi 2171/2013 issued on 21 July 2014 (the judges of the Panel were Liu Hui, Shi Bisheng, Tao Jun and the handling judge was Shi Bisheng) and the Beijing No. 1 Intermediate People’s Court’s Ad-

ministrative Judgment No. Yizhongzhixingchuzi 1358/2013.

⁴ See the Beijing Higher People's Court's Administrative Judgment No. Gaoxingzhongzi 1180/2014 issued on 19 December 2014 (the judges of the Panel were Liu Hui, Shi Bisheng, Tao Jun and the handling judge was Shi Bisheng) and the Beijing No. 1 Intermediate People's Court's Administrative Judgment No. Yizhongzhixingchuzi 3385/2013.

⁵ See the Beijing Higher People's Court's Administrative Judgment No. Gaoxing (zhi)zhongzi 2815/2014 issued on 16 December 2014 (the judges of the Panel were Pan Wei, Shi Bisheng, Kong Qingbing and the handling judge was Shi Bisheng) and the Beijing No. 1 Intermediate People's Court's Administrative Judgment No. Yizhongzhixingchuzi 3760/2013.

⁶ See the Beijing Higher People's Court's Administrative Judgment No. Gaoxingzhongzi 887/2014 issued on 2 November 2014 (the judges of the Panel were Cen Hongyu, Liu Qinghui, Jiao Yan and the handling judge was Liu Qinghui) and the Beijing No. 1 Intermediate People's Court's Administrative Judgment No. Yizhongzhixingchuzi 1266/2013.

⁷ See the Beijing Higher People's Court's Administrative Judgment No. Gaoxingzhongzi 1408/2014 issued on 20 October 2014 (the judges of

the Panel were Liu Xiaojun, Yuan Xiangjun, Wang Jun and the handling judge was Yuan Xiangjun) and the Beijing No. 1 Intermediate People's Court's Administrative Judgment No. Yizhongxixingchuzi 2307/2013.

⁸ See the Beijing Higher People's Court's Administrative Judgment No. Gaoxingzhongzi 902/2013 issued on 11 October 2014 (the judges of the Panel were Liu Xiaojun, Yuan Xiangjun, Ma Jun and the handling judge was Liu Xiaojun) and the Beijing No. 1 Intermediate People's Court's Administrative Judgment No. Yizhongzhixingchuzi 2161/2011.

⁹ See the Beijing Higher People's Court's Administrative Judgment No. Gaoxingzhongzi 1135/2014 issued on 17 April 2014 (the judges of the Panel were Liu Xiaojun, Yuan Xiangjun, Ma Jun and the handling judge was Liu Xiaojun) and the Beijing No. 1 Intermediate People's Court's Administrative Judgment No. Yizhongzhixingchuzi 2888/2013.

¹⁰ See the Beijing Higher People's Court's Civil Judgment No. Gaominzhongzi 824/2014 issued on 23 May 2014 (the judges of the Panel were Liu Xiaojun, Yuan Xiangjun, Ma Jun and the handling judge was Yuan Xiangjun) and the Beijing No. 1 Intermediate People's Court's Civil Judgment No. Yizhongminchuzi 9108/2013.