Prior Art Defense in Patent Infringement Litigation in China: Overview of 12-Year-Long Judicial Practice (I)

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I. Introduction

According to Article 62 (Article 67 after the fourth revision) of the China's Patent Law revised for the third time (hereinafter referred to as the third revision), "in a patent infringement dispute, where the alleged infringer has evidence proving that technology or design it or he exploited belongs to the prior art or is a prior design, such exploitation does not constitute patent infringement." This provision was introduced into the China's Patent Law in its third revision of 2008, and put an end to the situation that the China's patent law set forth no formal provisions on prior art defense. It is aimed to overcome the "inconsistencies in law enforcement" due to "lack of solid legal basis" for prior art defense where only the judicial interpretations [1] could be referred to. [2]

In retrospect of debates in the IP field over the past years, it can be known that these inconsistencies mainly lie in that 1) the scope of prior art was ambiguous, in particular, whether a conflicting application can serve as the basis for prior art defense; [3] 2) the examining order of infringement and prior art defense was unspecified, that is to say, whether a comparison for determining infringement should be a preliminary step; [4] 3) comparison methods used for prior art defense are unclear, as there are separate comparison and mixed comparison; [5] 4) comparison standards for prior art defense were not defined, and novelty standard, limited inventive step standard, inventive step standard, and equivalent standard had been used. [6] All of these undermine the application stability of the prior art defense.

In order to unify the judicial application of law, the Supreme People's Court further stipulates in Article 14 of the Interpretation on Several Issues Concerning the Application of Law in the Trial of Disputes over Patent Infringement (hereinafter referred to as the Interpretation) promulgated on 21 December 2009 that "where all the technical features alleged to fall within the scope of protection of the patent right are identical to or of no substantial difference from the corresponding technical features of a single existing technical solution, the court shall determine the technical solution implemented by the accused infringer as a prior art as prescribed in Article 62 of the China's Patent Law." [7]

It has been twelve years since the third revision of the China's Patent Law and the promulgation of the Interpretation. Has the original intention of overcoming the "inconsistencies in law enforcement" been achieved in China's judicial practice through the above-mentioned legislation? This article is going to provide an overall picture of the application of the prior art defense by the judicial authorities in China during this period, and assess the implementation of the Patent Law and the Interpretation based on patent infringement cases concerning prior art defense.

II. Basic facts about judicial practice: the number and main characteristics of cases

According to the search results [8] from the website www.pkulaw.com, the number of the cases concerning prior art defense demonstrates the following characteristics: First, the number of cases has climbed up at a relatively fast

speed since 2009, which may be related to the fact that the formal establishment of prior art defense in the China's patent law in 2009 stimulated its utilization; second, the Guidelines for the Determination of Patent Infringement issued by the Beijing High People's Court in 2013 definitely allow the prior art defense with a simple combination of prior art and common knowledge, which lowered the standard of prior art defense and pushed the case number to a higher level; third, the number of cases concerning prior art defense is in positive proportion to the number of patent infringement lawsuits; and fourth, the number of closed patent lawsuits and that of closed cases concerning prior art defense have both sharply declined in 2020, possibly due to the outbreak of COVID-19 (see Fig. 1).

Judging from the final trial level of these cases, the cases closed at first instance accounted for 44%, those at second instance made up 51%, and retrial cases only formed 5%. Through further screening, the authors obtained 49 valid cases with 49 judgments as samples. [9] The following characteristics are found through further analysis of these judgements:

First, in view of the final trial levels of the sample cases which were closed, second-instance judgements accounted for about 53%, which means that the appeal rate in sample cases is high but similar to the overall appeal rate. [10] This may be attributed to the uncertainty in patent infringement cases and the application of the prior art defense. Concepts such as "no substantive difference", "well-known technology", "simple combination" and equivalent technical features are quite flexible and provide the courts with great discretion, thereby leading to different judging criteria. Some judgments without detailed reasoning can hardly convince the parties. [11] In addition, allowing the defense on the basis of a combination of prior art and common knowledge can lower the threshold for prior art defense and strongly motivate the parties to appeal.

Second, ten of the sample cases entered into the retrial procedure at the Supreme People's Court, which accounted for about 20% (Fig. 2, left). It is higher than the total retrial rate 5%. These cases were closed from 2010 to 2020, mostly in 2012. This may explain why the Beijing High People's Court revised relevant provisions in the Guidelines for the Determination of Patent Infringement in 2013. In four of the retrial cases, the Supreme People's Court completely reversed the judgements of the first and second instances. [12] It showed that prior art defense is quite complex, and the Supreme People's Court has paid more attention to such cases in the past ten years.

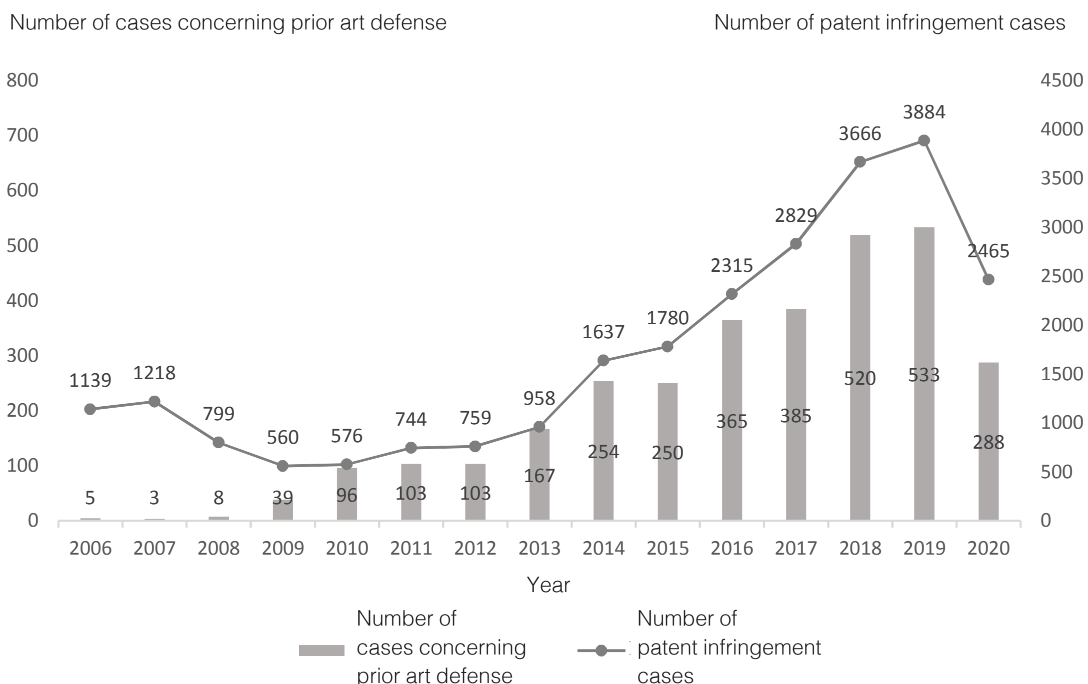

Fig. 1 Change in the number of cases concerning prior art defense in China (2006-2020)

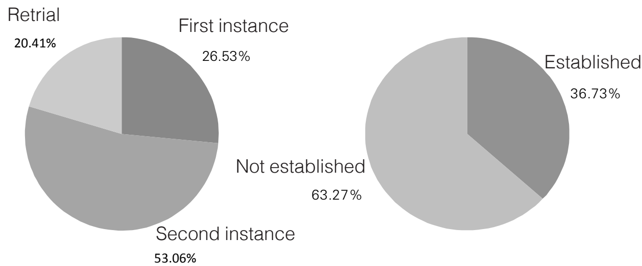

Fig. 2 Instances and holdings of sample cases

Third, among sample cases, those in which the prior art defense was successfully established made up only a small portion (Fig. 2, right). There are only 18 out of 49 cases in which the courts were in favor of the prior art defense, accounting for about 37% of all the sample cases. The specific arguments that win support from the courts mainly include: (1) the technical solution of the patent in suit has been publicly used in China before its filing date; [13] (2) there is no substantial difference between the technical solution disclosed in the prior art and that of the accused technical solution; [14] (3) the technical solution used by the defendant is a simple combination of the prior art and common knowledge well-known by those skilled in the art. [15] In 31 cases, the courts rejected the prior art defense, which made up about 63% of all the sample cases. The specific grounds mainly include: (1) the parties argued on the basis of a combination of several prior art solutions, which violated the principle of separate comparison; [16] (2) the prior art documents do not or incompletely disclose the technical solution of the accused product, and there are substantial differences between them; [17] and (3) there is no evidence proving that the distinguishing feature belongs to common knowledge or is a direct substitute for customary means in the art. [18]

III. First point of contention: Whether a conflicting application can serve as the basis for prior art defense

1. Patent administration department held a negative attitude

Neither the China's patent law nor the Interpretation clarifies whether a conflicting application can serve as the basis for prior art defense. Since the revised Patent Law employs the expression "proving that technology … belongs to the prior art …" (Article 62) and the "prior art" is defined as "any technology known to the public before the filing date of the patent application in China and abroad" (Article 22), the China National Intellectual Property Administration (CNIPA) states in the reading guidance for the revised Patent Law that the legislators have clarified that the prior art defense should not be broadened to cover the situation that the accused infringer used the technology of the conflicting application, because "if the conflicting application is used as the ground for defense, the patented technology … needs to be compared with the earlier application asserted by the accused infringer in order to assess whether the latter constitutes a conflicting application. The nature of such comparison is the assessment as to whether the patented invention possesses novelty, which is in violation of the ba-

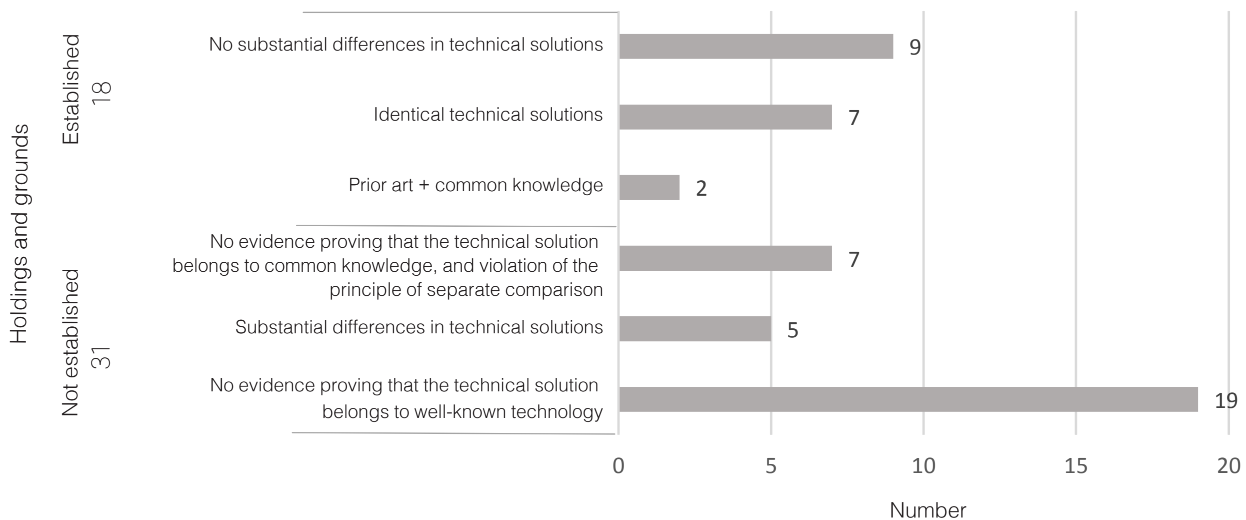

Fig. 3 Holdings and grounds for or against prior art defense

sic institutional arrangement that issues concerning patent validity can only be handled in the invalidation proceedings as stipulated in the China's Patent Law……" [19] The Guidance for Patent Infringement Determination Criteria and Patent Counterfeit Identification Criteria (Draft for Comments) issued by the CNIPA in 2013 directly stipulates that "in a dispute over patent infringement, a conflicting application should not be cited for prior art defense". [20] However, the Guidelines for Determination of Patent Infringing Acts (Trial) issued by the CNIPA in 2016 do not contain any contents in relation to the above provision or the prior art defense, which obviously intends to evade this issue. [21] It can be seen that in the period before and after the third revision to the patent law, the experts [22] from the Legal Affairs Department and the Patent Reexamination Board of the CNIPA took a negative or wait-and-see attitude.

2. Judicial authorities currently believe that the prior art defense rules are applicable.

In contrast, the judicial authorities in China have changed their attitude from hesitation or opposition in the beginning to formal recognition eventually. For instance, in a dispute over invention patent infringement between Qiu, et al., and Nanjing Jianyan Technology Co., Ltd., et al., the Nanjing Intermediate People's Court held that the conflicting application does not belong to a well-known technology and cannot be used as evidence supporting the prior art defense. [23] After 2009, however, the judicial policies or guidelines for case trial given by the Supreme People's Court and high courts in Nanjing, Shanghai and Beijing all stipulated that reference can be made to the prior art defense rules for a conflicting application defense (Table 1). Under such influence, local courts have made some judgments in favor of the conflicting application defense, such as the judgment in a dispute over invention patent infringement between Qiu and Xiangtan Duolun Real Estate Development Co., Ltd., et al. and the judgment in a dispute over utility model patent infringement between Ningbo Ouling Elevator Components Co., Ltd. and Ningbo Aolixun Elevator Components Co., Ltd., et al. [24]

Since then, the Supreme People's Court has gradually improved the reasoning in a number of tried cases. In the dispute over infringement of an invention patent entitled "a method for producing cloth-plastic hot water bag" in 2013, the Supreme People's Court held that "since the conflicting application denies the novelty of the technical solution of the compared patent, the accused infringer shall be allowed to assert non-infringement of patent on the grounds of implementation of the technical solution of the conflicting application, and this assertion should be judged with reference to the criteria for examining prior art defense." [30] In the

Table 1 Judicial policies and guidelines in favor of the application of prior art defense rules for a conflicting application defense

	Judicial documents (year)	Issued by	Provisions and explanation
1	Interpretation on Several Issues Concerning the Application of Law in the Trial of Disputes over Patent Infringement (Draft for Comments) (2009)	The Supreme People's Court	Article 17.2 [25], which was not incorporated into the final judicial interpretation
2	Activating Justice, Serving Overall Interests and Striving to Achieve New Developments in IP Trial Work (2010)	The Supreme People's Court	Assessment shall be made with reference to the criteria for examining prior art defense
3	Opinions on Issues Concerning Maximizing the Role of Intellectual Property Trials in Boosting the Great Development and Great Prosperity of Socialist Culture and Promoting the Independent and Coordinated Development of Economy (2011)	The Supreme People's Court	Assessment shall be made with reference to the criteria for examining prior art defense
4	Guidelines for Trial of Disputes over Patent Infringement (2010)	Jiangsu High People's Court	Part V, Item 5.1.6, Article 2 [26]
5	Guidance for Trial of Disputes over Patent Infringement (2011)	Shanghai High People's Court	Article 14 [27]
6	Guidelines for Patent Infringement Determination (2013) Guidelines for Patent Infringement Determination (2017)	Beijing High People's Court	Article 127.1 [28] (2013); Article 142 [29] (2017)

dispute over infringement of a utility model patent entitled "a cleaning tool" in 2015, the Supreme People's Court further indicated that "the conflicting application and the prior art both can be used for assessing the novelty of the patent in suit. If the accused technical solution has been disclosed in the conflicting application, a patent right should not be granted for the accused technical solution in view of the conflicting application and accordingly should not be covered by the scope of protection of the patent in suit. Hence, where the accused infringer asserted non-infringement defense on the grounds that the technology it implemented belongs to a conflicting application, the people's court shall determine the conflicting application defense with reference to the prior art defense rules such as Article 62 of the China's Patent Law and Article 14 of the Interpretation." [31] Thus, the court noted that the key is to find whether there is the possibility of granting a patent for the accused technical solution and whether the accused technical solution falls within the scope of protection of the patent in suit, regardless of whether the accused technical solution is disclosed in the prior art or the conflicting application. That is to say, the accused technical solution should not be protected under the patent law as long as it possesses no novelty or inventive step, and the prior art defense or conflicting application defense is established. This ground of judgment has been cited by local courts. [32]

IV. Second point of contention: Application of prior art defense or Determination of patent infringement

1. Prior art defense first in early judicial practice

Prior to the introduction of the prior art defense in the patent law, some courts considered the prior art defense in the first place. [33] The Third Civil Division of the Supreme People's Court once issued an official correspondence, holding that when the accused infringer asserted the prior art defense, a comparison between the accused technology and the patented technology can be conducted only after a negative conclusion is drawn from the comparison between the accused technology and the prior art. [34] However, views are divided in the IP circle as to whether this view represented the attitude of the Supreme People's Court [35], and whether the preferential application of the prior art defense can save judicial resources. [36] Nevertheless, the third revision of the Patent Law and the Interpretation fail to make this issue clear, which render the controversy last from the time before the patent law revision to the subsequent judicial practice.

After the third revision, the Legal Affairs Department of the CNIPA used to apply prior art defense first, noting that where the accused infringer asserted a prior art or prior design defense and adduced evidence, "the court or the patent administration department shall first determine whether the defense is established. A judgment or decision of non-infringement can be made if the defense is established without determining whether the accused technology or design falls within the scope of protection of the patent in suit. Only when the defense is not established, it is required to further determine whether the accused technology or design falls within the scope of protection of the patent in suit". [37]

The above-mentioned view was supported by some courts in the sample cases. Judgments following this rationale summarized the key issues as "whether the prior art defense is established" and then "whether the accused product falls within the scope of protection of the patent in suit". [38] It is noteworthy that those cases were mostly closed within the immediate few years after the third revision possibly due to the above official correspondence given by the Supreme People's Court before the patent law revision. For instance, in *Guangzhou Nuomi Metal & Plastic Co., Ltd. v. Chen Hongbo*, the appellate case concerning utility model patent infringement closed in 2010, the Guangdong High People's Court at second instance directly tried the prior art defense in view of the new evidence adduced by the appellant and finally determined that the defense was established without further analyzing whether the accused product fell within the scope of protection of the patent in suit. [39] In *Shimano Corporation v. Ningbo Ripin Industry and Trading Co., et al.*, the appellate case concerning design patent infringement closed in 2011, the second-instance court stated that the party concerned "asserted that the differences between the accused product and the design patent in suit are identical to those between the prior art design (a Taiwan patent submitted in the invalidation proceedings) and the design patent in suit, which was actually a prior art defense." The court then compared the accused product with the prior art design and found they were neither identical nor similar, and finally examined whether the accused product fell within the scope of protection of the design patent in suit concerning a speed regulating controller. [40]

2. Infringement determination first in judicial practice

over recent years

Nevertheless, at the beginning of the third revision, some local courts showed a clear-cut stand in determining the infringement first. For instance, the Jiangsu High People's Court clearly put forward in its Trial Guidelines that patent infringement should be examined before infringement defense (including prior art defense). [41] Judging from the sample cases, this tendency has become prominent over recent years. More and more judgments listed the key issues in sequence of whether patent infringement existed and then whether prior art defense was established, and examined them accordingly. [42] Particularly in the latest years, infringement determination has substantially become an indispensable preliminary step. For instance, in *Baozhen (Xiamen) Technology Co., Ltd. v. Sun Xixian*, a dispute over utility model patent infringement closed in 2019, the first-instance court determined that the accused technical solution fell within the scope of protection of the patent in suit and then concluded that the defendant "asserted prior art defense merely based on a search report without comparing any specific materials, which does not meet the requirement of the prior art defense". The Supreme People's Court later reversed this judgment to non-infringement at second instance and made no comments on the grounds for appeal regarding the prior art defense. [43] In *Kunshan Hongjie Electronics Co., Ltd. v. Suzhou Kaloc Ergonomic Technology Co., Ltd.*, a dispute over utility model patent infringement closed in 2020, the Supreme People's Court found "it was slightly improper" for the first-instance court to examine whether the prior art defense was established without determining whether the defendant committed any infringing acts (namely, manufacture, sale, and offer for sale) as asserted by the plaintiff. [44] That is to say, the Supreme People's Court held that prior to the examination of the prior art defense, efforts shall be made to comprehensively determine infringement, including the comparison between technical solutions, and the examination of infringing acts.

It is interesting that in a few cases, the first-instance courts still commented on the prior art defense even though no infringement was found after comparison, which might be for better factual findings. For instance, in *ELE (Group) Co., Ltd. v. Xuncheng Electrical Co., Ltd., et al.*, an appellate case concerning utility model patent infringement closed in 2011 by the Supreme People's Court, the judges at first instance found "the accused product did not fall within the scope of protection of the patent in suit" after infringement comparison, then carefully reviewed whether the prior art defense was established, and finally decided that "the accused product used the prior art technology owned by Pass & Seymour Inc.", which constituted no patent infringement. The second-instance court raised no objection to such judging rationale and conclusion. [45] ■

(To be continued)

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[1] Article 9 of the Several Provisions on Issues Concerning Application of Law to the Trial of Patent Disputes released by the Supreme People's Court in 2001 stipulates that "where the defendant files a request for invalidation of the patent right when making its or his defense in the case received by the people's court of dispute as arising from the infringement of the patent right for utility model or design, the people's court shall suspend the legal proceedings. However, under any one of the following circumstances, the legal proceedings may not be suspended:……(2) where the defendant's evidence is sufficient to prove that its or his used technology has been known to the public; ……" This is the only legal provision concerning the prior art before the third revision of the Patent Law. This Judicial Interpretation was revised in 2015 and 2021, but this provision remains unchanged, with only the serial number thereof being changed to 5.

[2] Legal Affairs Department of the CNIPA (2009). Reading Guidance for the Patent Law Revised for the Third Time (pp. 77-78). Intellectual Property Publishing House.

[3] Supporter: Zhang Xiaodu (2008). Patent Infringement Determination: Theoretical Discussion and Trial Practice (pp. 110-111). Law Press·China.

Opponents: Zhang Rongyan. Reexamination of prior art defense determination. *China Patents & Trademarks, 4, 65-66*. Also see the Civil Judgment No. Ningminsanchuzi 408/2007 for the case over invention patent infringement between Qiu, et al., and Nanjing Jianyan Technology Co., Ltd., et al.

[4] The Official Correspondence for Dispute over Patent Infringement Between Wang Chuan and Hefei Jichu Trading Co., Ltd. (2009) issued by the Third Civil Division of the Supreme People's Court states that the prior art defense should be determined first. Some others argued that there was no need to examine patent infringement first. Zhang Xiaodu (2008). Patent Infringement Determination: Theoretical Discussion and Trial Practice (p. 109). Law Press·China.

There is an opposite view that the prior art defense must be considered as other exceptions for infringement, and its objectivity should be improved in reliance on patent claims so as to avoid a “war against a shadow”. He Huaiwen (2008). Technology comparison in application of prior-art defense—Review of judicial practices and observation on relevant provision in the pending amendment to the patent law. *China Patents & Trademarks, 3, 52-54*.

[5] At that time, the prevailing view in China was that it was only necessary to compare the prior art technology with the accused technology; however, some scholars and judicial authorities believed that a mixed comparison manner should be adopted.

Zhang Peng and Cui Guozhen (2009). Probe into comparison manners and comparison standards for prior art defense. *Intellectual Property, 1, 63-64*.

[6] Zhang Peng and Cui Guozhen (2009). Probe into comparison manners and comparison standards for prior art defense. Intellectual Property, 1, 64.

[7] Interpretation of the Supreme People's Court on Several Issues Concerning the Application of Law in the Trial of Disputes over Patent Infringement (No. Fashi 21/2009), promulgated on 21 December 2009 and implemented on 1 January 2010.

[8] On 31 December 2020, the authors conducted search for judging documents issued within the period from 1 January 2006 to 31 December 2020 with the keywords “現有技術抗辯 (prior art defense)” and “公知技術抗辯 (well-known technology defense)” in the database on the website www.pkulaw.com. There were retrieved 3,119 judging documents (including judgments and rulings).

[9] After preliminary search, the authors deleted the cases, in which the keywords “prior art defense” and “well-known technology defense” were mentioned in the judgments but not taken as issues, and then screened the rest by the keywords “公報案例 (gazette cases)” and “典型案例 (typical case)”. Many cases were excluded because the patents were invalidated or determined to be non-infringing by the courts, for example, the Civil Judgment No. Minshenzi 979/2010.

[10] The appeal rates in 2017, 2018, 2019 and 2020 were 52%, 50%, 58% and 63% respectively.

[11] See the Civil Judgment No. Lu02zhiminchu 83/2019.

[12] See the Civil Judgment No. Mintizi 225/2013, the Civil Judgment No. Mintizi 306/2011, the Civil Judgment No. Mintizi 59/2015, and the Civil Judgment No. Mintizi 343/2011.

[13] See the Civil Judgment No. Ningminsanchuzi 095/2007, and the Civil Judgment No. Zuigaofazhiminzhong 412/2020.

[14] See the Civil Judgment No. Yuegaofaminsanzhongzi 197/2010, and the Civil Judgment No. Minsanzhongzi 1/2011.

[15] See the Civil Judgment No. Suminsanzhongzi 0139/2007, and the Civil Judgment No. Huyizhongminwu(zhi)chuzi 379/2006.

[16] See the Civil Judgment No. Gan01zhiminchu46/2019, the Civil Judgment No. Luminsanzhongzi 247/2014, and the Civil Judgment No. Shanminsanzhongzi 00052/2009.

[17] See the Civil Judgment No. Zhe01minchu 3202/2019, and the Civil Judgment No. Zhe01minchu 2244/2019.

[18] See the Civil Judgment No. Zuigaofazhiminzhong 624/2019, the Civil Judgment No. Mintizi 306/2011, and the Civil Judgment No. Zuigaofazhiminzhong 1259/2020.

[19] See supra note 2, pp. 78-79.

[20] CNIPA. The Guidance for Patent Infringement Determination Criteria and Patent Counterfeit Identification Criteria (Draft for Comments) (p.44). Chapter Three, Section 1, Item 2.4.1 “Earlier-Filed, Later-Published Chinese Invention or Utility Model Patents/Patent Applications”.

[21] Zhou Qi. Studies on conflicting application defense—Literature review (19 January 2017). WeChat Account: Tongji Intellectual Property and Competition Law Research Center, last visited on 24 April 2021.

[22] Zhang Rongyan. Reexamination of prior art defense determination. *China Patents & Trademarks, 4, 65-66*.

Yin Xintian (2011). Introduction to the Patent Law of China (p. 695). Intellectual Property Publishing House.

[23] See the Civil Judgment No. Ningminsanchuzi 408/2007.

[24] See the Civil Judgment No. Changzhongminsanchuzi 0336/2009 and the Civil Judgment No. Zheyongzhichuzi 326/2012.

See supra note 21.

[25] Article 17.2 of the Interpretation on Several Issues Concerning the Application of Law in the Trial of Disputes over Patent Infringement (Draft for Comments) released by the Supreme People's Court in 2009 stipulates that where the accused infringer asserts non-infringement defense based on the disclosed conflicting application, the people's court may make reference to the preceding paragraph. Article 18.2 thereof stipulates that where the accused infringer asserts non-infringement defense based on the disclosed conflicting application, the people's court may make reference to the preceding paragraph.

[26] Item 5.1.6, Paragraph 2 of the Guidelines for Trial of Disputes over Patent Infringement issued by the Jiangsu High People's Court in 2010 stipulates that where the accused infringer asserts non-infringement defense based on a published conflicting application, the people's court may make reference to the provisions regarding prior art defense.

[27] Article 14 of Guidance for Trial of Disputes over Patent Infringement issued by the Shanghai High People's Court in 2011 stipulates that in case of literal infringement, where the accused technical solution is identical to the technical solution of the conflicting application, the prior art defense is applicable by analogy. Where the accused in-

fringer asserted non-infringement defense as the employed technology is the technical solution disclosed in the conflicting application, the prior art defense is applicable by analogy in the event of literal infringement, and the non-infringement defense can be established only when the accused technical solution is identical to the technical solution disclosed in the conflicting application.

[28] Article 127.1 of the Guidelines for Patent Infringement Determination released by the Beijing High People's Court in 2013 stipulates that a conflicting application does not belong to the prior art, and may not serve as the grounds for a defense based on the prior art. However, where the accused infringer asserts that what it or he has exploited is a conflicting application, Article 125 on a prior art defense of these Guidelines may be referred to.

[29] Article 142 of the Guidelines for Patent Infringement Determination released by the Beijing High People's Court in 2017 stipulates that a conflicting application does not belong to the prior art or prior art design, and may not serve as the grounds for a defense based on the prior art or prior art design. Where the accused infringer asserts that the alleged infringing technical solution or design is identical to that of a conflicting application, reference can be made to Article 137 or 139 of the Guidelines.

[30] See the Civil Judgment No. Mintizi 225/2013. However, in this case, the court held that the utility model patent No. ZL200520015446.8 as the conflicting application did not completely disclose the method for processing the accused product, and the prior art defense asserted by the party concerned could not be established.

[31] See the Civil Ruling No. Minshenzi 188/2015.

[32] See the Civil Judgment No. Zuigaofazhiminzhong 709/2019. In this case, the first-instance court, the Guangzhou IP Court, completely followed the aforesaid reasoning. But it should be noted that the Supreme People's Court held at second instance that the reference document in this case did not disclose the key technical feature falling into the scope of protection of the patent in suit, and the distinguishing technical feature thereof was not the direct substitution for a conventional means, so the reference document did not constitute a conflicting application.

[33] See the Civil Judgment No. Wenminsanchuzi 196/2004, and the Civil Judgment No. Zheminsanzhongzi 219/2005.

[34] The Official Correspondence for Dispute over Patent Infringement Between Wang Chuan and Hefei Jichu Trading Co., Ltd. issued by the Supreme People's Court. The Official Correspondence No. Zhijianzi 32/2000.

[35] He Huaiwen (2008). Technology comparison in application of prior-art defense—Review of judicial practices and observation on relevant provision in the pending amendment to the patent law. *China Patents & Trademarks, 3, 51*.

[36] Sun Hailong and Yao Jianjun (2009). Preliminary exploration of legal character of prior-art defense. *China Patents & Trademarks, 3, 55-56*.

[37] See supra note 2, p.79.

[38] For instance, the appellate case concerning invention patent infringement between Yueqing Annai Electric Co., Ltd. and Zhejiang Dixsen Electric Co., Ltd. See the Civil Judgment No. Zhezhizhongzi 399/2013.

[39] See the Civil Judgment No. Yuegaofaminsanzhongzi 141/2010. Also see the Civil Judgment No. Yuegaofaminsanzhongzi 197/2010 for the appellate case concerning invention patent infringement between Qu Dejian and Tosca Corporation.

[40] See the Civil Judgment No. Zhezhizhongzi 399/2013. It should be noted that the first-instance court did not take the prior art defense as a key issue of the dispute, and the second-instance judgment did not clearly express that the prior art defense should be applied first. In this regard, the "gist of judgments" summarized by the website www.pkulaw.com and that the court applied the prior art defense first as summarized in some articles are not accurate.

Wang Chao. Practical studies on prior art defense (II): Comparison sequence (25 October 2017). WeChat Account: SHIPA, last visited on 24 April 2021.

[41] Section "1.2 Trial Rationale" of the Guidelines for Trial of Disputes over Patent Infringement issued by the Jiangsu High People's Court in 2010 summarizes five steps for trial of patent infringement cases, which are to: 1. examine the validity of the patent in suit; 2 examine and determine the scope of protection of the patent; 3. examine whether the accused infringement occurs; 4. examine whether the defendant's defense (including the prior art defense) is established; and 5. examine and determine the civil liabilities.

[42] See the Civil Judgment No. Gaominzhongzi 1408/2010, the Civil Ruling No. Minshenzi 1220/2013, the Civil Judgment No. Yueminzhong 1455/2017, and the Civil Judgment No. Zuigaofazhiminzhong 414/2019.

Some judges wrote articles to definitely support this view. Wang Dongyong (2013). Application of prior art defense and determination of the amount of damages. *The People's Judicature, 4, 48-49*.

[43] See the Civil Judgment No. Zuigaofazhiminzhong 509/2019.

[44] See the Civil Judgment No. Zuigaofazhiminzhong 412/2020. The party accused of infringement in the case admitted that the accused infringing product completely covered the claim of the patent in suit, but asserted the prior art defense. Before examining whether the prior art defense was established, the first-instance court determined that the accused product fell within the scope of protection of the patent in suit without analyzing the specific infringing acts in detail.

[45] See the Civil Judgment No. Minsanzhongzi 1/2011.