



2024.10

QUARTERLY

NEWSLETTER

PANAWELL INTELLECTUAL PROPERTY



Cover: Interior of office block where Panawell locates

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Panawell Intellectual Property, consisting of Panawell & Partners, LLC and Panawell & Partners Law Firm, provide full spectrum of services in all fields of intellectual property rights, such as patent, trademark, copyright, computer software, anti-unfair competition, trade secrets, custom protection, domain name, license, assignment, enforcement, administrative and civil litigation, IP consulting and management.

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Patent Official Fee Policies Adjusted in China

On August 6, 2024, the China National Intellectual Property Administration (CNIPA) released Announcement No. 594, adjusting the following patent fee standards and payment reduction policies:

1. The patent term compensation fee: the patentee shall pay a fee of RMB 200 yuan for patent term compensation.

Where a patent term compensation request meets the conditions for the purpose upon examination, the annual fee for the compensated period of the patent shall be paid at the standard of RMB 8,000 yuan per year for a patent, and no annual fee shall be charged if the compensated term is less than a year. The annual fee for the compensated patent term shall be paid in a lump sum, and there is no payment grace period, nor fee reduction. If the annual fee for the compensated period is not paid one month before the expiration of the 20-year patent term, the CNIPA will issue a Notice of Non-Payment of the Annuity for the Compensation Period of the patent term to remind the patentee to pay the fee. For those who fail to do so in full within the time limit, the CNIPA will issue a Notification of Termination of Patent Right after the expiration of the 20-year patent term, and the restoration procedure is not allowed.

2. Patent annuity reduction: for a patent in its open

license period, there will be 15% reduction of the patent annual fees. If other patent fee reduction and exemption policies are applicable at the same time, the most preferential policy may be applied, but they shall not be applied or enjoyed repeatedly.

3. International design application fees: for international design applications entering China through the Hague Agreement, the fees for the first and second phases of separate designation could be reduced under the relevant regulations.

4. Fees for change of the name of applicant or patentee: If the name of an applicant or patentee is changed at a request for a batch of cases, without involving any right transfer, the fee for changing the name of the applicant or patentee will be CNY200 for all the cases.

5. PCT international application fee: PCT international applications the CNIPA accepted as the Receiving Office and on which it conducted international search will be exempted from the application fee and application surcharges when entering the national phase in China. PCT international applications for which an international search report or an international preliminary report on patentability is made by the CNIPA will be exempted from the substantive examination fee after entering the Chinese national phase. Other fees for PCT applications entering the Chinese national phase shall be implemented as domestically applicable.

(Source: official website of CNIPA)

Top 10 Patent Reexamination & Invalidation Cases in 2023 Released by CNIPA

The CNIPA released the top 10 major patent reexamination and invalidation cases in 2023, involving the cutting-edge technological fields, such as genetic engineering, lithium-ion batteries and interdisciplinary fields, making in-depth explanations on typical legal issues, such as standard essential patents, right conflict determination, priority determination, and AI registrability as patent inventors, specifically including the following:

1. In the case of invalidation of the invention patent CN 201110269715.3 entitled "method and device for sending control signaling", the conclusion of the trial was to maintain the patent valid. This case involves a standard essential patent in the field of communications, and at the same time, it is of typical significance for the overall consideration of the technical features related to the claims in the inventive step examination and the determination of revelation from prior art combination.

2. In the case of invalidation of the invention patent CN 200610072849.5 entitled "secure lithium ion battery unit and secure lithium ion battery pack", the conclusion of the trial was to declare the patent entirely invalid. This case has an exemplary effect on accurately finding full disclosure of the patent description with parameter features in the field of lithium batteries.

3. In the case of invalidation of the invention patent CN 201410448504.X entitled "polyurethane polishing pad", the conclusion of the trial was to keep the patent valid. For the claims of mechanical products defined with chemical formula components and physical performance parameters, the examination decision explains how to objectively determine the scope of patent protection based on the disclosure of the description, so as to accurately determine its real contribution to the prior art.

4. In the case of invalidation of the invention patent CN 200810213769.6 entitled "divisible galenical preparation form capable of controlling release of active ingredient", the conclusion of the trial was to declare the patent entirely invalid. This case explains the rules of evidence from the dimensions of burden of proof, formal and substantive elements of evidence, and provides trial guidance for determining whether a negative description in the prior art constitutes a technical obstacle.

5. In the case of invalidation of the invention patent CN 201380070567.X entitled "engineering of systems, methods and optimized guide compositions for sequence manipulation", the conclusion of the trial was to declare the patent partially invalid. In this case, the value-oriented nature of encouraging invention and creation is integrated into the priority determination when some PCT application applicant are changed, and the examination decision discusses in depth

the trial benchmark for whether a later application can enjoy priority under the circumstance.

6. In the case of invalidation of the invention patent CN 200680046261.0 entitled "poly(aryl ether) copolymer", the conclusion of the trial was to hold the patent valid. This case provides a typical example for determining whether the parameter features in the chemical field have been disclosed by the prior art, and explains how to consider the patentee's opinions in the grant procedure during the invalidation proceeding.

7. In the case of invalidation of the utility model patent CN 201920768950.7 entitled "composite decorative panel", the conclusion of the trial was to declare the patent entirely invalid. Based on the comprehensive analysis of the new evidence, the collegial panel interpreted the application of the rule that "contrary evidence is sufficient to overturn the facts confirmed by the effective judgment", which reflects the importance of accurately determining technical facts in patent cases

8. In the case of invalidation of the invention patent CN 200780048958.6 entitled "additional modulation information signaling for high-speed downlink packet access", the trial conclusion was to declare the patent entirely invalid. This case involved the determination of "the same subject matter" in the verification of priority, and the examination decision explained the requirements for the degree to which technical facts are presented in the earlier application on which

priority is based.

9. In the case of invalidation of the design patent CN 201930327108.5 entitled "sports shoes", the conclusion of the trial was to keep the patent valid. This case illustrates the factors to be considered and the methods for determining the conflict between a design patent right and a prior trademark right, highlighting that while protecting the legitimate rights and interests of the prior trademark owner, the legitimate rights of the design should not be reduced through an expansive interpretation.

10. In the case of reexamination of the invention patent application CN 201980006158.0 entitled "food container and devices and methods for attracting enhanced attention", the decision of the trial was to uphold the rejection decision. Based on the basic principles of the civil law, the reexamination decision systematically interprets the legislative purpose of the patent inventor system, and makes the first case determination in China on the issue of "whether artificial intelligence can be registered as a patent inventor".

Since 2010, the CNIPA has been, for years, working on selecting and releasing the top 10 cases of the year from the reexamination and invalidation cases heard each year, interpreting the standards for patent grant and confirmation with the typical cases.

(Source: official website of CNIPA)

Top 10 Trademark Opposition & Review Cases in 2023 Released by CNIPA

The CNIPA released 10 typical trademark opposition and review cases in 2023, namely:

1. "Huangta Plaster" trademark opposition case No. 61172988, which effectively stopped market confusion and misidentification, and enhanced the trademark protection of intangible cultural heritage.

2. "Only This Green" trademark opposition case No. 59222968, which regulated the preemptive registration of the titles of dance, poetry and drama, and promoted the innovative development of excellent traditional culture in China.

3. "MAN FEI ANGEL and Device" trademark opposition Case No. 64310227, which comprehensively considered the particularity of the "Slow Flying Angel" group and other factors, and took the initiative to apply the provisions of Article 10, Paragraph one (8), of the Trademark Law to refuse the registration, demonstrating humanistic care.

4. "Bao Lu Ge" trademark opposition case No. 60172218, which regulated acts that infringe on the name rights of rural Internet celebrities and helped the new development of the rural economy.

5. "Bai Shui Ji" trademark opposition case No. 60596619, which regulated the improper registration of malicious seizure of public resources without the purpose of use, and

maintained a standardized and orderly trademark registration order.

6. "DEMARSON" trademark invalidation case No. 47589108, which regulated the hoarding of trademarks by multiple related entities through concealed relationships, and improved the accuracy and deterrence of cracking down on malicious trademark hoarding.

7. "Bee Flower Beauty" trademark invalidation case No. 55926680, which clarified the applicable requirements for requesting protection of well-known trademarks again, reduced the enterprise's enforcement cost, and effectively safeguarded the legitimate rights and interests of the national brands.

8. "MASTRO'S STEAKHOUSE M and Device" trademark invalidation case No. 36365304, which fills the gap in the rules for determining deemed trademark agencies, and effectively combats malicious law-circumventing registrations.

9. "100,000 WHYS and Device" trademark invalidation case No. 17085619, which accurately characterized whether the registration of a well-known book title as a trademark violated the distinctiveness clause and maintained the stability of the rights of the well-known book brand.

10. Eight "Platinum Preferred" trademark invalidation cases, including the case No. 52695434, which comprehensively considered the facts of all related cases to restore the truth and

achieve the unity of legal and social effects.

In the next step, the CNIPA will further strengthen the intellectual property protection at the source, continue to promote the quality and efficiency of trademark examination, standardize the order of trademark registration applications, maintain a fair competition market environment, increase the supply of trademark examination guidance, and continue to improve the examination standards, rules and models, so as to serve the high-quality developments of the economy and society.

(Source: official website of CNIPA)

Applicants Allowed by CNIPA to Use Mixed Languages to File PCT International Applications

Pursuant to the amendments to Rules 26 and 29 of the Regulations under the Patent Cooperation Treaty, which entered into force on July 1, 2024, the Receiving Office may notify the applicant to submit a translation of the description or claims to harmonize into one language of the international application when the language of the description or claims (or parts thereof) of a PCT international application is filed in a mixed language and said mixed language is a language accepted by the receiving Office. The applicant shall submit a translation of the description or claims within one month from the date of the notification requesting the translation by the Receiving Office, or two months from the date of the international filing (whichever is later), and at the latest within 15

months from the earliest priority date.

The CNIPA, acting as a PCT Receiving Office, will allow applicants to file PCT international applications in mixed languages. For PCT international applications filed with the CNIPA on or after July 1, 2024, if the application text contains both Chinese and English, the language of the international application can be unified into Chinese or English by submitting a harmonized translation within the prescribed time limit without paying additional fees.

(Source: official website of CNIPA)

Macao Simplifies Requirements for Application Documents for the Extension of Invention Patents

According to the notice issued by the Economic and Technological Development Bureau of Macao on June 19, 2024, the requirements for the application documents for extension of invention patents have been simplified, and from 1 July 2024, when the applicant submits an application for extension of a Chinese invention patent (including electronic filing and on-site processing) to Macao, if it states in the application form that "the Macao Economic and Technological Development Bureau shall obtain the patent grant document and the certified copy of patent register from the China National Intellectual Property Administration as the application materials", and the relevant documents will be deemed to have been submitted to the Macao Economic and Technological

Development Bureau (DSED) after verification. This will provide convenience for the applicant by eliminating the need to order the documents such as a certified copy of the Chinese patent register.

(Source: official website of the DSED)

Patent Attorney's Value Shown in Utility Model Patent Invalidation Proceedings

Mr. Richard Yong WANG, Lawyer & Patent Attorney, Panawell & Partners

Mr. Feng XU, Lawyer & Patent Attorney, Panawell & Partners

In recent years, Chinese courts received patent infringement lawsuits have been on a constant rise. Among all the defenses, patent invalidation defense is undoubtedly a powerful tool in dealing with patent infringement allegations and litigations.

Invalidating a patent is no less than waging a fierce battle. How to put together the specific circumstances of every single patent, make reasonable use of the organically connected legal provisions, and launch a defense in a hierarchical, step-by-step and cooperative manner with a view of finding and attacking the weak points of a patent in question, requires the patent attorney to have solid professional proficiency and ethics.

Following is an overview of the factors that would impact the utility model patent invalidation proceedings requested by the party our Firm represents, as well as the role our patent attorneys plaid in the proceedings.

I. Background

The utility model patent relates to a chip box assembly structure and pencil sharpener, namely a new type of pencil sharpener. The patentee, Company A, sued Company B for patent infringement. Company B initially invited a patent

attorney from an intellectual property firm to invalidate the utility model patent. In December 2022, the CNIPA held that Company B's requested invalidation of Company A's utility model patent was partially established, and the patent was kept valid on the basis of Company A's amended claim. However, a month later, the court of first instance found Company B's products constituting patent infringement against Company A also based on Company A's amended claim, and required Company B to cease and desist from manufacturing and selling its pencil sharpeners. In August 2023, the Intellectual Property Tribunal of the Supreme People's Court rejected Company B's appeal and upheld the first-instance ruling that the infringement was established, and Company B was deep into the most dangerous situation at this time.

After the first-instance trial, Company B reached our Firm for an effective coping strategy, hoping that the Panawell lawyers and attorneys could help and try their best to save the current unfavorable situation. After carefully studying and analyzing the facts of the invalidation proceedings, Mr. Feng XU, a partner of our Firm, and his team put forward the lawyer's suggestion to invalidate Company A's utility model patent once again.

While the law does not prohibit the number of invalidation requests to be filed regarding a patent, since the patent in question has gone through an invalidation proceedings, the Patent Reexamination and Invalidation Department of the CNIPA would reject the invalidation request based

on the same evidence and the same grounds according to the no matter in idem doctrine. Therefore, Company B must file a new invalidation request with new evidence or on new grounds.

During the first invalidation proceedings, the patentee amended claim 1 in response to the invalidation requester's evidence and invalidation grounds, adding the feature of the original claim 6 to claim 1, and the amended claim 1 goes as follows:

1. The chip collection box assembly structure, characterized in that it comprises the upper shell used for installing the pencil sharpening mechanism and the chip collection box that collects pencil scraps produced by the pencil sharpening mechanism when sharpening pencils, the upper shell and the chip collection box form the shell of the pencil sharpening machine, the chip collection box comprises the bottom and the circumferential side part, the upper section of the circumferential side part is the first connecting part, the lower part of the upper housing is the second connecting part, and the first connecting part and the second connecting part are fixed by thread or buckle structure, and the first joint portion is in close contact with the second connecting portion; the butt part of the upper housing and the chip box is provided with an annular protective cover. (Note: the underlined part is the feature added at the invalidation stage.)

In the first invalidation decision, the collegial panel of the Reexamination and Invalidation Examination Department held that comparing the technical solution of claim 1 with the content disclosed in Evidence 1, the difference between the two is at

least that there is an annular protective cover (i.e., a feature added when the claim was amended) outside the butt of the upper shell and the chip box. Based on the distinguishing technical feature, the collegial panel determined that the technical problem to be solved by the patent in question was to improve the firmness of the assembly structure and the overall aesthetic appearance and sense of touch.

Based on this understanding, the collegial panel concluded that the protective ring in Evidence 5 from the invalidation requester had a significantly different effect from the annular protective cover of the patent in question, and held that Evidence 5 did not disclose the above-mentioned distinguishing technical feature, and did not give corresponding technical revelation, so that the requestor's claim that the amended claim 1 did not possess inventiveness was not established.

II. Case Analysis

Judging from the contents disclosed in the application documents of the patent in question, those disclosed in the reference, and the above-mentioned trial process of the collegial panel, the collegial panel's conclusion that the patent in question possesses inventiveness seems to be unassailable.

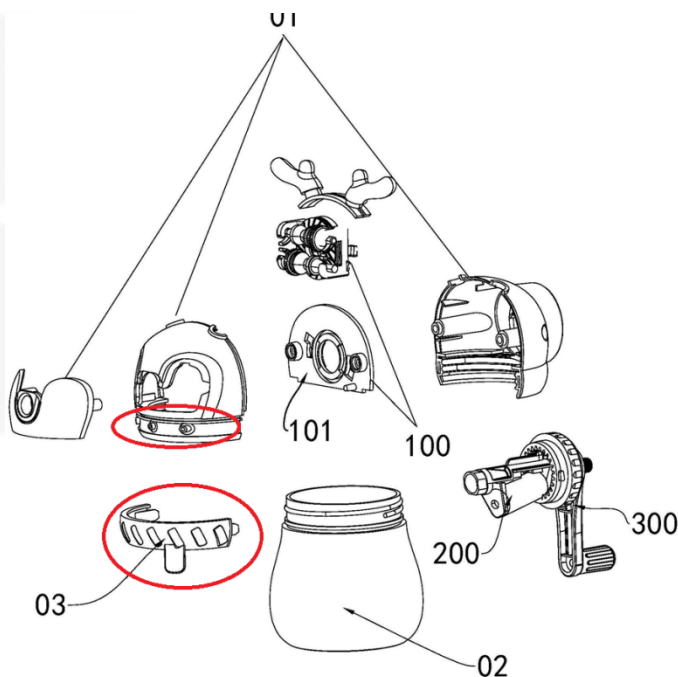
However, for an experienced patent attorney, understanding of a technical solution is not limited to the scope determined by the written expression of the claims, but should be combined with the

specific scenarios mentioned in the description and the technical problems to be solved, so as to make a comprehensive determination to accurately understand the main points of the invention of the patent in question, and to understand the technical features of the claims and the roles they play.

There is a text description in the description of the disclosure of the annular protective cover in the patent in question, namely Paragraph [0039]: "In addition, the butt part of the upper shell 01 and the chip box 02 is provided with an annular protective cover, and the annular protective cover 03 is socketed outside the first joint portion 20 and the second connecting portion 10, which not only protects the connecting part of the two, so that the joint part is enhanced by a double-layer structure, the connection strength is enhanced, the structure is firmer after assembly, and the overall appearance and sense of touch of the pencil sharpener better at the same time", and corresponding Figures 1-5 give a diagram of the annular protective cover.

At first glance, the description of the patent in question appears to have clearly disclosed the structure of the annular protective cover, its connection with other components, and the function it plays. However, from or through the above paragraphs in the description, the Panawell team found that compared with the role played by the annular protective cover, for example, "not only the connection part of the two is protected, the connection part is strengthened by a

double-layer structure, the connection strength is enhanced, the structure is stronger after assembly, and the overall appearance and the sense of touch of the pencil sharpener are better," and its corresponding structural features are: "the butt part of the upper housing 01 and the chip box 02 is provided with an annular protective cover, The annular protective cover 03 is socketed outside the first joint portion 20 and the second joint portion 10". There is a serious inconsistency between the annular protective cover it describes and its claimed technical effect (as shown in the diagram below). For those of ordinary skill in the art, it is impossible to know the specific way to achieve the above effect from the structure of the disclosed annular protective cover.



At the same time, in Paragraph [0041] of the description, it is said that "..... And the annular protective cover is assembled on the outer side of the second joint portion 10 through a buckle structure, and plays the role of reinforcing the connection and appearance modification", which is the only way in which the annular protective cover and the second joint are clearly written in the patent documents. In the schematic diagram of the decomposed pencil sharpener in the diagram above, it can also be seen that the annular protective cover is semi-circular in a way.

From this, the Panawell team preliminarily concluded that the annular protective cover is directly connected to the upper shell in a semi-annular manner, and the connection with the lower chip box or the connection part of the two is mechanically irrelevant and cannot play the role of enhancing the connection strength.

At the same time, to further support this point, the Panawell team further searched the official account hosted by the patentee, and obtained the patentee's publicity description of the product of baby bottle pencil sharpener" corresponding to the patent in question. It clearly can be seen from the publicity description that the designing of the butt part of the upper shell and the chip box is that the annular protective cover is connected to the upper shell in a semi-annular manner (as shown in the picture below).



Therefore, the Panawell team concluded that for those of ordinary skill in the art, after reading the patent in question, it is not clear how to achieve: "the connection part is strengthened by a double-layer structure, the connection strength is enhanced, and the structure is stronger after assembly" with the help of the annular protective cover. On the contrary, in addition to improving the aesthetic appeal of the product, the annular protective cover of the patent in question cannot achieve the technical effect claimed in paragraph 0039 of the description, and those skilled in the art cannot solve the technical problem claimed to be solved after adopting this method, that is, "the connection part is strengthened by a double-layer structure, the connection strength is enhanced, and the structure is stronger after assembly", so that it can be believed that the drafted description

of the patent in question does not comply with Article 26.3 of the Patent Law. Namely, the description shall give a clear and complete description of the invention or utility model to enable those skilled in the art to realize or work the invention.

According to the relevant provisions of the Patent Law, the drafted application documents that do not comply with Article 26.3 of the Chinese Patent Law is one of the grounds for invalidation of the patent.

In addition, based on the preceding facts and reasons, the Panawell team also believes that the role of the above-mentioned annular protective cover in the patent in question is only purely aesthetic in nature and has nothing to do with technology (especially unrelated to its claimed invention concept). Since the technical features of the solution of the patent in question are only purely aesthetic in nature, and have nothing to do with technology, they cannot give any technical feature or any technical structure to the claimed product, and cannot derive any technical function or technical effect. Therefore, the distinguishing feature, alone or in combination with the other features in the claims, cannot make the claimed technical solution achieve any technical effect, does not solve any technical problems relative to the prior art, and does not comply with Article 2.3 of the Chinese Patent Law on the subject matter of utility model protection.

The fact that the claimed subject matter does not comply with Article 2.3 of the Chinese Patent Law

is also one of the grounds for patent invalidation.

However, as the Panawell patent attorneys' experience

from their years of work and practice shows, the examiners of the Reexamination and Invalidation Board are usually more cautious when it comes to defects in drafted application documents, such as non-compliance with the definition of the invention or utility model patent, lack of complete description of the invention or utility model in the patent description, non-compliance with the requirements on the clarity of the patent description and claims, and absence in the independent claims of the necessary technical features to solve the technical problem. A decision to invalidate a patent will not be made lightly because of a drafting error or defect in the application unless the error or defect is obvious and fundamental.

Therefore, to make invalidation of the patent in question something more certain, it is necessary to find a stronger killer weapon or tool.

On the basis of the above understanding of the patent documents involved in the case, the Panawell team further reviewed the entire first invalidation proceedings, especially the inventiveness reasoning process of the collegial panel to have kept claim 1 valid, and found a breakthrough in their favor.

In this process, the collegial panel recognized the difference between Evidence 1 from the requester and claim 1 of the patent in question in that *"there*

is an annular protective cover outside the butt of the upper shell and the chip box", that is, the feature is added when amending claim 1.

Based on the description in Paragraph [0039] of the description of the patent in question, the collegial panel held that the patent in question "actually needs to solve the technical problem of improving the firmness of the assembly structure and the overall aesthetic appearance and sense of touch". However, through the above analysis of the annular protective cover structure, one can be convinced that the effect of "improving the firmness of the assembly structure" claimed by it is not supported in the description, and the effect of the claim does not exist at all. Therefore, it can be concluded that the collegial panel's understanding of the technical problem to be solved by the patent in question at the time of the first invalidation proceedings incorrect and needs to be corrected. The most accurate statement should be "the actual technical problem to be solved is how to improve the overall aesthetic appearance of the product" or something like this.

Based on the re-identified technical problem, Panawell's team conducted further targeted searches for the distinguishing technical feature of "annular protective cover", and found references in the field related to pencil sharpeners that used the technical means similar to "annular protective cover" to solve the technical problem. At this point, the analysis and material preparation were made for filing the second invalidation request.

III. Invalidation Strategy Development

In terms of invalidation strategy preparation, the Panawell team, based on the above understanding, worked out an offensive strategy: first clearing the peripheral obstacle and then launched a focused attack on the core issues.

The so-called peripheral obstacle is the understanding of the specific structure of the annular protective cover. First of all, it is necessary to apply Article 26.3 of the Chinese Patent Law, that is, the description of the patent in question does not fully disclose the structure of the annular protective cover, and those skilled in the art would find it impossible to know how to make the connection part strengthened with a double-layer structure with the help of the annular protective cover, so that the collegial panel must focus the dispute on the function and realization structure of the annular protective cover of the patent in question. Since the interpretation of the technical feature in the invalidation proceedings can only be based on the contents disclosed in the patent documents and the common knowledge in the art, the patentee will not be able to reasonably explain how to use the semi-annular protective cover to be assembled on the outside of the second joint through the bayonet structure, so that the connection part is reinforced by a double-layer structure. In this way, the mystery that the annular protective cover has the effect of "double structure reinforcement, joint strength, and stronger structure after assembly" has been stripped away. Even if the patent in question cannot be invalidated under Article 26.3 of the Chinese Patent Law, the structure and function of the annular protective

cover can be clarified, and the scope of protection would undoubtedly be greatly limited.

After clearing the peripheral obstacle to the interpretation of the annular protective cover, the Panawell team then attacked the core bastion (i.e., the inventiveness of the patent claims in question).

After analyzing the references used in the first invalidation proceedings and the multiple researched references, the Panawell team first selected Evidence 1 used in the first invalidation proceedings as the closest reference, considering that Evidence 1 had been used to evaluate the inventiveness of claim 1 at the time of the first invalidation proceedings, and the content of its disclosure had been clarified by the collegial panel, and there was less controversy, and it could be easily determined that the main difference between it and the patent involved in the case was the annular protective cover. Since the content of the technical feature has been clarified in the previous stage, according to the three-step method of inventiveness evaluation set forth in the Guidelines for Patent Examination, when re-determining the technical problem to be solved by claim 1, it is logical to conclude that the actual problem to be solved by claim 1 is "how to improve the overall aesthetic appearance of the product" compared with Evidence 1, rather than "improving the firmness of the assembly structure and the overall aesthetic appearance and sense of touch" as determined by the collegial panel during the first invalidation proceedings. Then, in view of

the re-determined technical problem, the inventiveness of claim 1 could be completely denied by using the original Evidence 1 in combination with other newly searched references or common knowledge.

On top of this, to invalidate the patent in question by making the fullest possible use of the inventive defects of the patent in question, the Panawell team also used the newly searched results and used a different document as the closest reference, combined with other references or common knowledge, as a side attack method to challenge the inventiveness of the patent in question.

IV. Satisfactory Ending

Thanks to the careful planning in advance and choice of the correct invalidation strategy, the second invalidation request hearings proceeded smoothly. Within three months after the oral hearing, the Reexamination and Invalidation Examination Board made an invalidation decision, finding that all the claims of the patent in question did not possess inventiveness, and the collegial panel basically accepted and adopted all the requester's invalidation opinions or claims.

Soon after receiving the second invalidation decision, Company A filed an administrative lawsuit with the Beijing Intellectual Property Court. The Panawell team also made full preparations and detailed explanations in the Beijing Intellectual Property Court, which quickly rendered a ruling, rejecting Company A's claims.

After receiving the invalidation decision, Company B promptly requested the Supreme People's Court to retry the infringement case, and the Supreme People's Court quickly revoked the effective infringement ruling, and our client's legitimate rights and interests were safeguarded, its crisis eliminated, and losses avoided.

V. Revelation

The entire patent invalidation not only makes it possible for our client to avoid huge losses in infringement damages, but more importantly, clears the way for the future sale of its products and protection of its market share. However, the above discussion clearly shows that the reversal of the second invalidation result is by no means accidental, as it has condensed the patent attorneys' diligent work and demonstrated their top level of professionalism. The patent invalidation defense is a quasi-judicial procedure with an adversarial nature, which not only requires the patent attorneys to have a strong professional and technical background, be able to analyze and understand the technical solutions involved in the patent, and accurately grasp the current state of the prior art, but also be capable of accurately understanding the legal provisions and grasp their organic relationship, so as to achieve a thorough understanding. Patent attorneys are also required to have high level of litigation experience, be proficient in analyzing complex technical concepts from the legal perspective, and developing reasonable litigation strategies. Only in this way

can we truly protect the legitimate interests of the parties they represent, safeguard the normal market order, and promote the development of the market economy. All this is where the value of a good patent attorney lies in a society governed by the rule of law.

Author:

Mr. Richard Yong WANG

Mr. Wang received his bachelor's degree in 1991 from the computer science department of East China Normal University, his master's degree from the Institute of Computing Technology of the Chinese Academy of Sciences in 1994, and also the degree of master of laws from Renmin University of China in 2005. Mr. Wang joined Panawell in 2007. In the past years, Mr. Wang has handled thousands of patent applications for both domestic and foreign clients, and he has extensive experiences in patent application drafting, prosecution, reexamination, invalidation, administrative litigation, infringement litigation, software registration, and layout designs of integrated circuit.

Mr. Feng XU

Mr. Xu received his Bachelor Degree in Thermal Energy and Power Engineering in 2006 and Master Degree in Power Machinery and Engineering in 2008 from Huazhong University of Science and Technology. Mr. Xu worked as an examiner in CNIPA from 2008 to 2015, and joined Panawell in 2017. He specializes in patent drafting, prosecution, reexamination, invalidation, administrative litigation, infringement litigation and infringement analysis in the field of mechanics.

Some Doubts and Suggestions on Patent Term Compensation System in China

Mr. Shu XU, Partner & patent attorney, Panawell & Partners

Since June 1, 2021, the Patent Law of the People's Republic of China has been officially in force upon the fourth amendment. Among these amendments, Article 42.2 of Chinese patent law has specifically put in place the patent term compensation mechanism, which specifically stipulates: "if a patent for invention is granted after four years from the filing date and three years after the date of the request for substantive examination, the patent administration department under the State Council shall, at the request of the patentee, compensate the patent term for the unreasonable delay during the examination procedure, except for the unreasonable delays caused by the applicant."

However, since the newly amended Patent Law entered into force, up till August 6, 2024, it has taken more than three years for the Implementing Regulations of the Chinese Patent Law and the Guidelines for Patent Examination to take effect one after the other. The lack of clarity on how to define the reasonable and unreasonable delays and the rate of fees to be paid has led to a constant backlog of requests filed for patent term compensation, a situation which is somewhat puzzling.

In practice, in Implementing Regulations of the Patent Law and the Guidelines for Patent

Examination, which have been in effect one after the other, most relevant provisions on patent term compensation are set forth in principle, and the China National Intellectual Property Administration (CNIPA) has not yet released the specific detailed determination standards on matters including the beginning and end of various time limits, which makes it difficult for patentees to figure out the length of compensated term they could possibly receive after the patent grant.

In response to the public concerns about the patent term compensation system, the CNIPA published the revised Interpretation (II) of the Patent Examination Guidelines (2023 edition) on its official website on January 18, 2024, explicating the background of the revision, the specific changes, and offering explanation of the amendments made to the patent term compensation system. On top of this, a patent term compensation calculation formula is provided, which is designed to help applicants more accurately understand and calculate the compensation term they could possibly receive.

Invention patent compensation period = $(D_{\text{date of grant}} - D_{\text{date of expiration of 4 and 3 years}}) - T_{\text{reasonable}} - T_{\text{unreasonable (applicant)}}$

Wherein,

$D_{\text{date of grant}}$ refers to the date on which the patent is announced;

$D_{\text{date of expiration of 4 and 3 years}}$ refers to the date of four years from the filing date of the invention patent and three years from the date of request for substantive examination, whichever is later;

T_{reasonable} refers to the number of days of reasonable delays, for example, delays resulting from an ownership dispute or suspension of the examination process for property preservation;

T_{unreasonable (applicant)} refers to the number of days of unreasonable delays caused by the applicant, including the time delayed due to the applicant's request for extension of the designated time limit or request for examination postponement, etc.

In fact, despite the release of the formula and instructions, patentees are still confused after trying to understand, finding it difficult to grasp how to calculate the compensation term due. This begs the question: as we all know, the patent term compensation system did not originate in China, but in the United States. When introducing the patent term compensation system, we took into account the practices of the United States, Japan, and Republic of Korea. Why can't the CNIPA learn from the practice of the United States Patent and Trademark Office (USPTO) and provide more convenient and faster services to the patentees? In the United States, patent term compensation is automatic and does not require patentees to initiate a request, especially if the delays are caused by the examining authority.

The United States Inventors Protection Act, which came into effect in 1999, established the Patent Term Adjustment (PTA) System in the USA, the core principle of which is to compensate for unreasonable delays in the patent examination process due to reasons not attributable to the applicant. United States law clearly defines the delays of the examiner during the examination

process, the delay of the applicant, and how to deal with the overlap between the two. When the USPTO issues a notice of grant, it automatically informs the patent applicant of the term compensation available for patent applications that meet the conditions for patent term compensation, and can automatically obtain term compensation without the need for the patentee to submit additional requests and pay any fees. This automatic compensation mechanism not only reduces the burden on patentees, but also shows respect for, and friendliness towards the rights and interests of innovators.

We hereby suggest, on behalf of the patentees, to the CNIPA to simplify and eliminate the process for patent term compensation and related fees, especially with regard to the delays caused by the examiners, clarify compensation standards, and enhance transparency. This will better reflect the nation's respect for the intellectual achievements of innovators, help stimulate more inventions and creations, and ensure due protection and compensation of the rights and interests of the patentees and inventors.

Author:

Mr. Shu XU

Mr. Shu XU graduated from Tsinghua University with a major in accelerator physics and law, and worked as an assistant researcher at the Institute of High Energy Physics, Chinese Academy of Sciences. Subsequently, he worked as a patent attorney in the CCPIT Patent & Trademark Law Office and China Patent Agent (H.K.) Ltd. (CPA). In 2007, he joined Beijing Panawell and Partners LLC as a partner.

Mr. Shu XU has received training in intellectual property law at intellectual property law firms in Japan, Germany and United States.

Mr. Shu XU has been engaged in intellectual property legal services for 39 years, serving a wide range of domestic and foreign clients, including universities, research institutions, enterprises and individuals. He has extensive experience in intellectual property legal consultation, patent search, patent assignment and licensing, domestic and foreign patent prosecution management, and patent registration in Hong Kong and Macau. He was invited to participate in the revision of the chapter of the CNIPA Guidelines for Patent Examination on entry of international applications into the national phase in China.

Mr. Shu XU is a member of the All-China Patent Attorneys Association and a member of the Association's Laws and Regulations Committee.

(Continuing from the article of the same title in the Newsletter published in July, 2024)

Summary of SPC IP Tribunal Decisions 2023

With a view to highlighting the judicial concepts, trial ideas and adjudication methods of the Intellectual Property Tribunal (IPT) of the Supreme People's Court (SPC) in technology-related IP and monopoly cases, the IPT selected 96 from the 4,562 cases concluded in 2023, summarized 104 key points, and put them into the Summary of the SPC IP Tribunal Decisions 2023, which was released on February 23, 2024 for the benefit of research and for the reference of all sectors of the society.

II. Patent Ownership and Infringement Cases

41. Impact of bad faith litigation conduct on reasonable enforcement expenses determination

【Case No.】 (2021) SPC IP Final No.2480

Key point: Where the alleged infringer conducted in bad faith, say making false statement during the litigation, this would be a factor to be considered by the people's court when determining the amount of the right holder's reasonable enforcement expenses.

42. Determination and handling of IP right abuse

【Case No.】 (2021) SPC IP Final No.235

Key point: Exercise of intellectual property rights shall follow the principles of good faith and credibility, and shall not harm the lawful rights and interests of others. When intellectual property rights are infringed, the right holder may exercise the right to sue under the law, but the exercise of

the right of action shall also follow the principles of good faith and credibility, uphold good faith and act prudently. Where a right holder intentionally abuses intellectual property rights by means of "inducing infringement", "entrapment to obtain evidence", "misleading settlement", "intentionally suing twice in one case", etc., the people's court shall take effective measures to regulate it under the law, and may, depending on the circumstances, order the right holder to bear the reasonable expenses of the other party in the litigation pursuant to the Reply of the Supreme People's Court on the Defendant's Request for Compensation for Reasonable Expenses on the Grounds of the Plaintiff's Abuse of Rights in Intellectual Property Infringement Litigation.

43. Determination of infringing product that is warned if the infringement warning does not specify the specific products

【Case No.】 (2021) SPC IP Final No.1744

Key point: If the patentee's infringement warning does not specify the specific products to which it is directed, the people's court could, within the scope of the product to which the warned person has been negatively affected by the warning, reasonably determine the specific scope of products that should be dealt with in a case of non-infringement of patent rights in conjunction with the litigation claims of the warned person.

44. Determination of the relevance of the patented technical solution to the inventor's own work or assigned tasks in the original unit or employer

【Case No.】 (2021) SPC IP Final No.2436

Key point: In a case of a dispute over the right to apply for a patent or the ownership of a patent right, even if the inventor shown in the patent or patent application documents is not directly responsible for the research and development of the patent or patent application technology of the original unit, but he or she can access, control and obtain relevant technical information based on his duties and authority in the original unit, the relevance cannot be simply denied between the patent involved in the case, the technical solution of the patent application and the work tasks of the inventor in the original employer or assigned as shown in the relevant documents just because there is another person in the original unit who is directly responsible for the research and development of the technology.

45. Whether reasonable enforcement expenses should be supported in right ownership disputes

【Case No.】 (2021) SPC IP Final No.2436

Key point: Disputes over the right to apply for a patent or the ownership of a patent generally do not fall within the scope of disputes that could be compensated by law for reasonable enforcement expenses, and where the plaintiff requests that the defendant be ordered to pay the reasonable enforcement expenses, the people's court will generally not support it.

46. Impact of patent validity on the trial of patent ownership disputes

【Case No.】 (2021) SPC IP Final Nos. 2312 and 2395

Key point: Even if the patent application is rejected or the patent right is declared invalid, the faultless or innocent party may claim a separate legal remedy against the party at fault based on the results of the determination of the ownership of the rights and interests in the invention or creation in a patent application right or patent ownership dispute case. Therefore, in a case of dispute over the right to apply for a patent or a patent right, if the patent application is rejected or the patent is declared invalid, the people's court may still continue to hear the case according to the specific circumstances of the case.

47. Handling of ownership disputes in the event of termination of effect of a PCT application

【Case No.】 (2021) SPC IP Final No.428

Key point: Even if the effect of a PCT application has ceased to exist in all PCT member states, including China, the person claiming that the person who actually enjoys the right to apply for the patent still has the interest in litigation in a dispute over the ownership of the PCT application in which the published PCT applicant is the defendant, and the people's court can hear the case.

48. It is not appropriate to split the claims to determine the ownership of the right to apply for a patent separately

【Case No.】 (2021) SPC IP Final No.825

Key point: Only one patent application exists based on one patent application right. In general, it is not appropriate to split the claims and determine the ownership of the patent application right separately.

49. Elements of Malicious Initiation of IP Litigation

【Case No.】 (2021) SPC IP Final No.1353

Key point: The following elements shall be met for the determination that an intellectual property lawsuit has been filed in bad faith: the lawsuit clearly lacks the basis of rights or facts; the plaintiff was aware of this; damage was caused to others; and there is a causal link between the initiated suit and the result of the damage.

50. Determination of malicious initiation of IP litigation under in the event of induced evidence collection

【Case No.】 (2021) SPC IP Final No.2586

Key point: Where the patentee induces the infringement by actively providing technical solutions without other evidence to prove that others have infringed or are about to infringe, and files an infringement lawsuit accordingly, interfering with or affecting the normal operation of others, it is possible to determine that the patentee has filed an IP lawsuit in bad faith.

51. Determination of malicious initiation of IP litigation in event of termination of rights

【Case No.】 (2022) SPC IP Final No.1861

Key point: Where the patent owner clearly knows that the patent involved in the case has been terminated for reasons, like failure to pay the patent annuity, but still files a patent infringement lawsuit, causing losses to others, it is possible to find the IP lawsuit filed in bad faith.

52. Acceptance of drug patent linkage litigation arising from drug registration application in the "transition period"

【Case No.】 (2021) SPC IP Final No.4

Key point: For a patent dispute arising after the Patent Law entered into force and before the Measures for the Implementation of the Mechanism for Early Settlement of Drug Patent Disputes take effect, the parties concerned may file a lawsuit under Article 76, Paragraph one, of the Patent Law. Even if the parties are objectively unable to submit the relevant materials because the relevant bridging measures have not yet been implemented, it does not affect the people's court's acceptance of the case under the law.

53. Conditions for filing drug patent linkage lawsuits

【Case No.】 (2023) SPC IP Final No.4

Key point: Pursuant to Article 76.1 of the Patent Law, a party initiating a drug patent linkage lawsuit

shall meet the following conditions: the lawsuit is filed in the process of drug marketing examination and approval; the main party who filed the lawsuit is the drug marketing authorization applicant or the relevant patentee or interested party; and litigation is initiated in connection with a dispute over a patent right related to the drug applied for registration; The content of the litigation claim is to confirm whether the technical solution related to the drug applied for registration falls within the scope of protection of the drug patent. In addition, the patentee and the interested party should also file such litigation on the basis of the legal and valid patent rights.

54. Examination and determination of registrable patent types in drug patent linkage litigation

【Case No.】 (2023) SPC IP Final No.7

Key point: In a drug patent linkage dispute case, if the parties have a dispute over whether the patent involved in the case is a registrable patent type, the people's court shall examine it. The lawsuit filed by a party under Article 76, paragraph one, of the Patent Law shall be a lawsuit arising from a dispute over the patent related to the drug applied for registration. If the patent on the basis of which the party is asserting its rights is not of the type of registrable patent as stipulated in the Implementation Measures for the Early Settlement Mechanism for Drug Patent Disputes, the people's court shall rule to dismiss the lawsuit.

55. Whether a patent for a compound featuring a crystalline structure and a patent for a composition containing the compound are registrable patents

【Case No.】 (2023) SPC IP Final No.7

Key point: The types of patents registrable for chemical drugs as stipulated in the Measures for the Implementation of the Mechanism for Early Settlement of Drug Patent Disputes shall be patents for compounds of active pharmaceutical ingredients, patents for pharmaceutical compositions containing active ingredients, and patents for medicinal use of the first two. Patents for compounds further featuring the crystal structure by crystal unit cell parameters on the basis of existing compounds expressed in molecular structures, patents for compositions containing such compounds, and patents for medicinal use of the first two are not yet the types of patents registrable as stipulated in the Implementation Measures for the Early Settlement Mechanism for Drug Patent Disputes.

56. Determination of "relevant patents" in Article 76.1 of the Patent Law

【Case No.】 (2023) SPC IP Final Nos. 1233、1234 and 1235

Key point: A patent corresponding to a generic drug marketed in China and is registered on the patent information registration platform constitutes a "relevant patent" as defined in Article 76.1 of the Patent Law.

57. How should an applicant for a generic drug make statement if there is only difference in specifications from the original drug for which the patent is registered

【Case No.】 (2023) SPC IP Final Nos. 1233、1234 and 235

Key point: If the original drug with only specifications different from the generic drug has registered the relevant patent in the patent information registration platform, the generic drug applicant shall, in principle, make a statement against the relevant patent of the original drug that has been registered.

58. Handling of drug patent linkage cases when the technical solution of the original drug does not fall within the protection scope of the patent claims

【Case No.】 (2023) SPC IP Final Nos. 2 and 3

Key point: In a drug patent linkage litigation case, if the parties have a dispute as to whether the technical solution of the original drug falls within the scope of protection of the patent claims involved in the case, the people's court shall examine it; If the technical solution of the original drug does not fall within the scope of protection of the patent claims asserted by the right holder or interested party, a ruling shall be made to reject the lawsuit.

III. New Plant Variety Cases

59. Determination of the novelty of new plant varieties

【Case No.】 (2022) SPC IP Final No. 809

Key point: The act of giving others the right, and giving up its own right, to dispose of the propagating material for the purpose of trade transaction, constitutes a sale that results in the loss of novelty of the variety for which protection is applied for the right of new plant variety. If the breeder delivers the propagating material of the applied variety for the purpose of entrusting others to produce seeds, and at the same time agrees that the propagating material of the applied variety is returned to the breeder, and as the breeder essentially retains the right to dispose of the propagating material of the variety, it generally does not cause the loss of novelty of the applied variety.

60. Determination of DUS testing location in the new plant variety grant procedure

【Case No.】 (2023) SPC IP Final No. 95

Key point: The determination of the specificity, consistency, stability (DUS) test location in the grant procedure of a new plant variety shall be based on the description of the area and environment suitable for the growth of the variety in the specification, combined with the type of variety and the breeding process and method, and the standard shall be to ensure that the traits of the variety are fully expressed.

61. Initiation of the proceedings and scope of examination for confirming the rights of new plant varieties

【Case No.】 (2023) SPC IP Final No. 132

Key point: After the grant of the right to a new plant variety, any unit or individual may file a request for invalidation of the granted right to the new plant variety, and the New Plant Variety Reexamination Board may also directly initiate the invalidation proceedings, *ex officio*. In the proceedings initiated at a request for the invalidation of a plant variety right, in principle, the Plant Variety Reexamination Board only needs to examine whether the granted variety meets the conditions for the grant on the basis of the evidence and reasons submitted by the requester for the invalidation, and does not undertake the obligation to conduct a comprehensive examination, i.e., to examine whether it meets all the conditions for the grant of a plant variety right.

62. Specificity determination standards and proof

【Case No.】 (2023) SPC IP Final No. 132

Key point: In the examination procedure for the confirmation of the right of a new plant variety, the standards for determining the specificity should be consistent with the examination procedure for the grant of new plant variety right, that is, the final determination of whether the granted variety has specificity should be based on the traits determined by the field planting test in principle; where there is no obvious difference between the

granted variety and the known variety through genetic fingerprint identification, the identification can be used as an important reference for determining that the granted variety lacks specificity.

63. Who bears the adverse consequences of submitting the wrong standard sample?

【Case No.】 (2023) SPC IP Final No. 132

Key point: For an approved variety, the submitted standard sample is the final basis for determining the authenticity of the variety, and the adverse consequences of erroneous submission of the standard sample should generally be borne by those who have submitted the standard sample.

64. Determination of the scope of new plant variety licensing

【Case No.】 (2022) SPC IP Final No. 605

Key point: In principle, the owner of the variety right should not include the rights that it does not enjoy in the scope of licensing. If the propagating material of a new plant variety is sold by the variety right holder or the unit or individual authorized by the variety right holder and is licensed to be reused to produce or propagate the propagating material of another variety, the act of selling the propagating material of the other variety usually does not constitute infringement. The owner of the breeder does not have the right to claim rights in the sale of the propagating material of the other variety.

65. How to handle the matter where the examination and approval authority does not deposit or keep the standard samples

【Case No.】 (2022) SPC IP Final No. 568

Key point: For a new plant variety that the examination and approval authority does not deposit the standard sample, nor keep the genotype information, if the variety right holder can preliminarily prove that the propagating material sample provided by the variety right holder is the propagating material of the new plant variety with full explanation, commitment, and other supporting evidence, the propagating material sample it provided can be used as the basis for determining the subject matter under the protection, unless the alleged infringer has contrary evidence or reasonable grounds sufficient to refute it.

66. Impact of the effect of an administrative penalty decision on that of the administrative enforcement evidence

【Case No.】 (2022) SPC IP Final No. 947

Key point: Even if the administrative penalty decision made by the seed administrative enforcement agency is revoked, the evidence formed in the process of administrative enforcement will not automatically lose its evidentiary quality and force. Where the relevant evidence is proved to be authentic, legal, and relevant, it may still be used as the basis for determining the facts in the relevant civil infringement case.

67. Comparison in connection with infringement of a new plant variety for which there is no molecular marker testing standards

【Case No.】 (2022) SPC IP Final No. 568

Key point: When determining whether the special features of a new plant variety are the same as those of the allegedly infringing variety, for some varieties that do not yet have the national or industry standards for molecular marker testing, such as genetic fingerprinting, when examining the evidentiary force of the test report using molecular marker testing methods, such as genetic fingerprinting, all relevant evidence shall be comprehensively analyzed, focusing on the scope and representativeness of the samples from which primers are used, and whether the establishment of the genetic fingerprint conforms to scientific laws and is sufficient to scientifically and accurately distinguish different varieties.

68. Identification of a variety when “it has multiple names”.

【Case No.】 (2022) SPC IP Final No. 269

Key point: According to the provisions of the Seed Law and relevant administrative regulations on “one variety, one name,” the same variety can only use the same name when applying for the protection of new plant varieties, variety approval, variety registration, and promotion and sales. If the name of the variety for which the right to a new plant variety has been granted is different from the

name of the variety approved with the variety, it shall be presumed that the two varieties are not the same. Where the variety right holder claims that the variety with different names is actually the same variety in a lawsuit for infringement of the right to a new plant variety, it shall provide sufficient evidence to prove and explain the justifiable reasons for failing to change the name in a timely manner under the law.

69. Obligation of caution in selling reproductive material of new plant varieties

【Case No.】 (2022) SPC IP Final No. 1262

Key point: If the alleged infringer fails to exercise reasonable caution regarding the nature of the buyer and the use of the material after the purchase, resulting in the material being used as propagating material, and in essence allowing the infringement to occur, it constitutes an infringement of the right to the new plant variety.

70. Liabilities of the organizer for the infringement of the all new plant varieties by the organized

【Case No.】 (2021) SPC IP Final No. 2166

Key point: The alleged infringer who plays an organizing and leading role in the process of producing and propagating the allegedly infringing propagation materials by multiple people shall be jointly and severally liable for all the alleged infringing acts directly carried out by the organized.

71. Discretionary determination of the base amount of punitive damages

【Case No.】 (2022) SPC IP Final No. 2907

Key point: Although punitive damages need to be awarded on the premise of the base amount of the awarded damages, it is not appropriate to make overly strict requirements for an accurate calculation of the base amount of the damages, and a reasonable damages amount base can be determined based on the existing evidence.

72. Basis for determining the breeding time of a variety

【Case No.】 (2020) SPC IP Final No. 1341

Key point: When determining the breeding time of a variety, the initial time when the breeder cultivates the plant variety with specificity, consistency and stability shall prevail. The specificity, consistency, and stability of the plant variety can be proved with breeding records and variety test reports.

To Be Continued ...

(Source: official website of BIPC)

Guidance on Restoration, Addition and Correction of Priority for Chinese Patent Applications

The amended Implementing Regulations of the Chinese Patent Law added a new system for restoration, addition and correction of priority, which came into force on January 20, 2024. In order to help applicants more accurately understand the regulations, the China National Intellectual Property Administration (CNIPA) issued the "Guidance on Restoration, Addition and Correction of Priority" on August 23, 2024.

I. Guidance on Restoration of Priority

1. Timing for submission of the request for restoration

According to Rule 36 of the Implementing Regulations, if an invention or utility model application is filed after the expiration of 12-month deadline from the priority date, and before the CNIPA is ready to publish the application, the applicant may request restoration of the priority right within 2 months from the expiration date (i.e. within 14 months from the priority date), with legitimate reasons (including unintentional reasons).

2. Required Documents for restoration of priority right

The prerequisite for requesting restoration of priority is that the priority information to be restored has been listed in the Request Form of the

invention/utility model patent application at filing of the application, including the priority country, priority date and priority number.

If the priority to be restored is a foreign priority, a scanned copy of certified priority document should be submitted together with the request for priority restoration. If the priority to be restored is a domestic priority, the certified priority document will not be needed as long as the priority date and priority number are listed in the Request Form.

The applicant of the application shall be the same as the applicant of the priority application, otherwise an assignment of priority right should be submitted together with the request for priority restoration.

3. Fees for restoration of priority right

The applicant shall pay the fee for claiming the priority (RMB80 /item) and the restoration fee (RMB 1,000) within the prescribed period, i.e. within 2 months from the expiration of the 12-month priority period.

4. Examination and Notice

A Notification of Decision on Request for Restoration of Right will be issued by the CNIPA. If the request meets the requirements, the priority right will be restored; otherwise, the request for restoration of priority right will be refused.

If some formality defects occur in the procedures for restoration of priority right, such as the applicant fails to pay or fully pay the restoration fee

or priority fee within the prescribed period, the CNIPA shall issue a Notification to Rectify Formalities of Restoration to invite the applicant to make rectifications within the specified time limit.

If the applicant files the request for restoration of priority after the 14-month deadline, or fails to file a response to the Notification to Rectify Formalities of Restoration, or fails to pay or fully pay the restoration fee or priority fee within the specified time limit, the request for restoration of priority right will be refused.

5. Relief measure

Where an applicant receives a Notification of Decision on Request for restoration of Right, if he is not satisfied with the notification, he may apply for administrative reconsideration before the CNIPA within 60 days from issue date of the notice, or file a lawsuit with the Beijing Intellectual Property Court within 6 months from issue date of notice.

6. Guidance on Restoration of Priority for National Phase Application based on a PCT Application

For national phase applications based on PCT applications, if the priority right is restored during the international stage, it will be deemed that a request for restoration has been made in accordance with the rules, and there will be no need to file the request for restoration of priority before the CNIPA after the PCT application enters the national phase.

If the request for restoration of priority is not made during the international phase, or is made but not approved by the PCT receiving office, the applicant may file a request for restoration of priority for the Chinese national phase application within 2 months from the entry date. The corresponding procedures include submitting a Request for Restoration of Priority, stating the reasons, and paying the restoration fee and priority claim fee within the prescribed time limit. If a certified priority document has not been submitted to the International Bureau, it will need submitting to the CNIPA.

II. Guidance on Addition or Correction of Priority

1. Timing for submission of request for addition/correction

According to the newly added Rule 37 of the Implementing Regulations, if an applicant for an invention or utility model patent application (design application not applicable) has claimed at least one priority correctly, he may submit a Request for Addition or Correction of Priority within 16 months from the earliest priority date and before accomplishment of preparation for publication of the application.

Regarding "earliest priority date" herein, if addition or correction of a priority will bring a change to the earliest priority date, the time limit will be calculated from the changed earliest priority date. If the earliest priority date changes after adding/correcting a priority, the time limits

calculated from the earliest priority date will also change accordingly, such as the time limit for adding or correcting other priorities, the time limit for submitting priority document and biological deposits, the time limit for requesting substantive examination, and the novelty grace period.

2. Prerequisites and documents for submission

The request for adding a priority claim shall comply with the provisions of Article 30 of the Patent Law, that is, at least one priority claim shall have been made at the filing of the patent application.

A scanned copy of the certified priority document and assignment of priority right shall be submitted within 16 months from the earliest priority date, if necessary.

3. Fees for Addition or Correction of Priority

If a priority claim is to be added, the corresponding priority claim fee (RMB 80/item) shall be paid at filing of Request for Addition of Priority.

4. Examination and Notice

If the request for adding or correcting the priority does not comply with the regulations, a *Notification to Rectify Formalities* or a *Notification that Request Deemed Not to Have Been Submitted* will be issued.

If one or two items of the priority date, priority number and priority country are not stated or are incorrectly written, but the applicant has submitted the correct certified priority document within

the prescribed period, the CNIPA will issue a *Notification to Rectify Formalities* to invite the applicant to make corrections.

If a priority is not claimed in the initial Request Form, or the applicant fails to file the request within the stipulated deadline, or fails to pay or fully pay the official fee, or fails to respond to the a *Notification to Rectify Formalities* within the specified time limit, a *Notification that Request Deemed Not to Have been Submitted* will be issued.

In addition, the restored/added/corrected priority cannot form the basis for "incorporation by reference".

5. Relief measure

Where an applicant receives a *Notification that Request Deemed Not to Have Been Submitted*, if he is not satisfied with the notification, he may apply for administrative reconsideration to the CNIPA within 60 days from issue date of the notice, or file a lawsuit with the Beijing Intellectual Property Court within 6 months from issue date of notice.

Warm Congratulations on the 50th Anniversary of Hepp Wenger Ryffel AG

On August 29, we are honored to witness our Swiss partner Hepp Wenger Ryffel AG celebrate its glorious 50th anniversary. At this moment, they are hosting a series of exciting events in Wil, Switzerland, to mark this milestone occasion.



50th Anniversary Celebration event

To express our respect for this significant moment, we have specially dispatched our partners, Mr. William YANG and Mr. Alex WANG, to Switzerland to participate in this grand celebration.

Hepp Wenger Ryffel AG has always been an important partner of our company in Switzerland. Over the years, we have established a profound cooperative relationship through our exceptional services. We have prepared a special gift to celebrate their 50th anniversary, expressing our respect and best wishes for them.



A Gift Presented by Panawell to Celebrate the 50th Anniversary of HEPP

Hepp Wenger Ryffel AG was founded by Mr. Dieter Hepp in 1974. After half a century of development, it has become one of the largest intellectual property firms in Switzerland. They have always focused on providing professional advice rather than merely pursuing scale expansion. In their view, every employee's engagement in intellectual property work is not only a responsibility but also a pleasure.


Through fifty years of trials and tribulations, Hepp Wenger Ryffel AG's original aspiration has remained unchanged: they are committed to continuously enhancing their clients' innovation capabilities and market competitiveness through the ingenious use of intellectual property. Today, they still adhere to a spirit of not being satisfied with the status quo and pursuing excellence, dedicated to: Business-Driven IP.

From Beijing, Chengdu, Ningbo in China, and Tokyo in Japan, all of us at Panawell extend our most sincere blessings to our Swiss colleagues. We wish Hepp Wenger Ryffel AG a happy birthday and express our heartfelt thanks to them for their strong support to Panawell over the years.

Meeting at 2024 AIPPI World Intellectual Property Congress in Hangzhou, China

From October 19th to 22nd, 2024, Panawell will send a delegation to participate in the 2024 AIPPI World Intellectual Property Congress in Hangzhou, China. Hereby, we cordially invite you to visit us at Booth No. C02, Hall 4C.

Looking forward to meeting you in Hangzhou!





📍 Hangzhou International Expo Center (HIEC)
66HR+CHJ, Ben Jing Er Lu, Xiaoshan District,
Hangzhou, Zhejiang, China, 310008

📅 2024/10/19-10/22

Booth No. C02 at Exhibition Hall 4C

Opening Hours:

Sunday 20 October 08:30 - 17:00	Monday 21 October 08:30 - 17:00	Tuesday 22 October 08:30 - 14:00
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Our Team:

Mr. William Yang | Mr. Eric Li | Ms. Xiaoli Su |
Mr. Victor Guo | Ms. Jane Wang | Ms. Susan Zhao

Looking forward to meeting you!

➔ To Schedule a meeting,
please email to aippi@panawell.com

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