

Valid Priority Claim Or Not: Chinese Practice

In Chinese Patent Law, when a priority is validly claimed, the date of filing a first application, *i.e.*, the priority date, is considered to be the effective filing date for the examination of novelty and inventiveness for a subsequent application claiming the priority to the first application. Further, the law recognizes both domestic priority¹ and foreign priority under the Paris Convention².

An issue of valid priority claim arises³, when an intervening prior art reference, publicly available between the priority date of the first application and the filing date of the subsequent application, is located. The cases discussed below shed some lights on how the Chinese practice treats the validity of a priority claim. We brief and comment on the cases in order to update our readers on this issue.

Examination Guidelines

Guidelines for Patent Examination (“the Guidelines”) specify in Chapter 8 of Part II, §4.6.2, that “the examiner shall analyze and study the earlier application in its entirety. If the technical solution described in the claim of the later application is clearly described in the documents of the earlier application, it shall be assured that the earlier application has the same subject matter as the later application. The

¹ For the sake of simplicity, we also use the term “priority” for claiming the benefit of a domestic first application.

² Or under bilateral agreements.

³ Here, we do not address the issue regarding whether the applicant has the right to claim priority, rather focus on the issue whether the claimed subject matter in the subsequent application is entitled to the priority date.

examiner cannot refuse to accept the claim of priority right based on the view that such technical solution is not contained in the claims of the earlier application.”

With respect to the phrase “clearly described,” the Guidelines explain: “it does not mean the way of illustration is completely identical. It is sufficient if the technical solutions described in the claims of the application have been set forth. However, where one or more technical features of said technical solutions are just generally or ambiguously described in the earlier application, or where there is only a hint in the earlier application, if the detailed description of such technical features is described in the application claiming for the priority right, and a person skilled in the art cannot directly and unambiguously derive it from the earlier application, the earlier application cannot serve as the basis for claiming right of priority.” *Id.*

Though failing to state the underlined legal principles, the Guidelines set a high bar in examination, *i.e.*, a claimed subject matter in the subsequent application would not be able to entitle the priority date if certain technical features would not be able to directly and unambiguously derived by one skilled in the art from the first application.

Invalidation Cases

Case one

Chinese Patent Application No. 86103037.0, entitled “hinge-lid pack for cigarettes of the like” and filed April 30, 1986, claims priorities to two German patent

applications P3515775.5 (filed May 2, 1985) and P3522614.5 (filed June 25, 1985). The application, owned by FAKKT (Germany), was substantively examined and eventually granted on September 13, 1989.

Later on September 22, 1993, JIDI (Italy) filed a request for invalidation of the above patent before the Patent Reexamination Board (“the Board”) on the grounds of lack of novelty and inventiveness. Specifically, JIDI asserted that the two priority applications failed to disclose the basic and essential technical feature “vertical longitudinal edges are designed bevelled” in the hinge-lid pack claimed by this patent, and therefore this patent would not be entitled to right of priorities and shall be declared invalid in view of intervening prior art, the Tobacco Journal International TJI 3/1985 (publication date: June 1985).

In examination, the Board believed that the shape of the bushing was neither explicitly described in the priority applications, nor implicitly as the recited technical feature “vertical longitudinal edges are designed bevelled” had other alternatives from the view of one skilled in the art. Accordingly, the Board decided the priority claim to the two German applications was invalid and thus patent claims were anticipated or obvious in view of the intervening prior art.

FAKKT appealed first to Beijing intermediate court then to Beijing high court. Both courts upheld the Board’s decision.

Case two

In a series of applications owned by Comba and Andrew claiming priority back to the earliest of November 4, 1994, one divisional patent was in dispute. The patent CN 02118420.8, entitled “antenna control system,” claims priorities to two New Zealand applications NZ264864 (filed November 4,

1994) and NZ272778 (filed August 15, 1995).

To file a request for invalidation against the patent in dispute, the petitioner found that the technical feature “controller” in independent claims has not been disclosed in earlier priority documents, and thus the patent, at most, was only benefit to the filing date of NZ272778, *i.e.*, August 15, 1995. The Board agreed with the petitioner with respect to the issue of valid priority claim and thus evidence 1 was entered and qualified as prior art. The Board decided all claims invalid for lack of inventiveness over evidence 1 in view of evidence 2. The decision was affirmed by the first and second instance courts.

Case three

As this invalidation case is currently pending before the Board, case details will not be provided herein.

The claim at issue recites an algorithm equation, where the U.S. priority application discloses a similar equation, but the claim-recited equation varies by incorporating a parameter from the similar equation to carry out a normalization processing. The invalidation petitioner raised an issue of invalid priority claim and requested claims be held invalid in view of intervening prior art.

Representing the patentee, our attorneys looked first into the rationales of the priority right, which is to safeguard, for a limited time period, the interests of a patent applicant to obtain adequate protection in various countries, and understandably, the text of the subsequent application might differ from the earlier application not only in language, but also in the presentation of technical contents.

In determining the entitlement to the priority date, the Guidelines acknowledge the date should be determined on a claim-by-claim

basis,⁴ but set a direct-and-unambiguous bar. See the above discussions. Indeed, some commentaries suggest a test substantively similar to the judgment of novelty,⁵ which, in reality, has not been adopted by the Board.

Turning to this case, assuming the direct-and-unambiguous test stands, the focus becomes whether the claim-recited equation would be directly and unambiguously derived from the U.S. priority application. Given the fact that the parameter incorporated in the claim-recited equation has alternatives (e.g., parameter 1, parameter 2) from the view of one skilled in the art, would the Board draw the same conclusion as Case one to deem the claim to the U.S. priority application invalid?

We said no. Our attorney's arguments lie in that the claim at issue *as a whole* has been adequately described in the U.S. priority application and one skilled in the art would recognize that the patentee had possession of the claimed invention by the priority date, *i.e.*, the incorporation of a parameter from the priority-described equation to carry out a normalization processing (known algorithm) has neither reformed the claimed technical solution nor added technical feature brought by creative labor of the patentee. Accordingly, the claim at issue shall be held to validly claim priority to U.S. priority application. It would be interesting to see whether our arguments would be accepted by the Board, and eventually by the courts.

Our Thoughts and Recommendations

In handling invalidation cases, especially those patents having the priority dates, if the petitioner finds that a technical document that

is extremely similar to the patent in suit when searching for prior art, emphasis may be placed on verifying whether the priority right is valid. The above described Case one and Case two are excellent examples, and Case one is well known as the classical case of the Board.

A patentee shall not overlook whether the priority claim is valid or not regardless of whether the priority claim has been examined during prosecution. See the above discussed cases. In general, during prosecution, an examiner may not find an intervening prior art reference, and thus will not initiate the examination on valid priority claim. With respect to some key patents such as standard core patents, patent stability is the key. Normally it would be too late for the patentee to fix fault priority claim at the time of enforcing the patents. Thus, the best practice for the patentee is to take preventive measures, if some changes have been made in a subsequent application, by thoroughly searching for prior art including intervening arts, and then technically designing claims to ensure at some claims clearly entitle to the priority date.

⁴ Part II, Chapter 8, §4.6.2.1

⁵ See "Introduction of the Patent Law of China"

The newsletter is not intended to constitute legal advice. Special legal advice should be taken before acting on any of the topics addressed here.

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