

Design Patent Infringement: How Close Is Substantially Identical

Design patents have come to the fore in the smart phone wars. While some will debate whether *Apple v. Samsung* lived up to its billing as the “Trial of the Century,” few can disagree that it has been the most high profile design patent case of all time. Design patents have captured the attention of companies the world over.

While industrial designs are becoming increasingly important, in China there are additional factors—those companies doing business in China, from manufacturing to sales, should seriously consider the roles of design patents can play with respect to brand protection, counterfeiting and unscrupulous business practices.

To start with, China grants far more design patents than any other jurisdiction, and the vast majority of them are granted to domestic applicants. In 2015, 361,576 design patents were granted, where 346,751 (95.9%) were to Chinese applicants. In accompanying with the granted patents, enforcement becomes a powerful tool to protect designs that make complex devices simple and set companies apart.

This short article, by analyzing recent the Supreme People’s Court cases, is to illustrate what the test for design patent infringement in China is.

Primer on the Law of Design Patent Infringement

In Chinese judicial practice, infringement of a design patent occurs only if the allegedly infringing product and the product to be

protected by the design patent are of identical or substantially identical designs from the point of view of “an ordinary consumer” and based upon the principle of “overall observation and comprehensive judgment.”

In the past, a people’s court inquired if an ordinary consumer, after comparing all design elements of the allegedly infringing product with all design elements of the patented product, would conclude the design of the allegedly infringing product is identical or substantially identical with the patented design. This criterion requires the comparison of all elements. Provided that an allegedly infringing design includes a distinct design element that is not included by a patented design, then it is generally concluded that the allegedly infringing design is not identical or substantially identical with the design of the patent, even if the allegedly infringing design has all the design elements included by the design of the patent. As such, a third party can easily design around without liability by simply incorporating additional design elements, such as pattern and/or color, into a patented design.

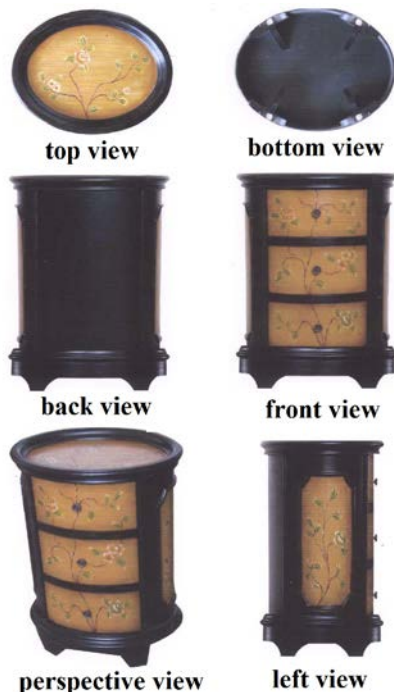
In order to enhance and strengthen the protection of design patents in China, Chinese judicial system has been practicing and developing a new criterion for determining infringement of a design patent in recent years. In the following, three retrial cases appealed to the Supreme People’s Court in recent years are studied, with a focus on recent judicial development of protection of design patents in China.

Supreme People's Court Decisions

Case I

The patent infringement dispute between Zhongshan Junhao Furniture Ltd., the defendant, and Zhongshan Jiayi Furniture Factory, the plaintiff, relates to a Chinese design patent entitled "cabinet with three drawers (egg-shaped)". (No. 1406 [2011], Civil, Appeal for Retrial¹)

The first instance court does not find infringement reasoning that the patented design (ZL200630173653.6, as shown below) differs from the design of the allegedly infringing product in the decorative pattern representation on the surface of the cabinet, which is integrated with the shape of cabinet, and thus the design of the patent results in a different overall visual effect from the design of the allegedly infringing product.



¹ Xiaoming XI, Xiangjun KONG, *Supreme People's Court Guidelines for IPR Trial Case (fourth series)*, [M] ., China Legal Publishing House, 2012.5:96-98

On appeal, the second instance court holds that the difference in decorative patterns between the patented design and the allegedly infringing design is negligible, because both designs three square drawers, an octagonal decorative frame and an "egg-shaped" cylindrical cabinet which forms in combination the most significant design feature that contributes to the overall visual effect. Accordingly, an infringement has been found.

Junhao appeals to the Supreme People's Court for retrial of this case but the Supreme People's Court rejects the appeal for retrial on Nov. 22, 2011.

In its opinion, the Supreme People's Court agrees with the second instance court's ruling, reasoning that the two designs are substantially as same as each other in the overall shape of the cabinet and in the shape and layout of the components of the cabinet, which distinguish the patented design from prior art designs and have more notable influence on the overall visual effect of the design than other design features. The Court further elaborates that although different decorative patterns exist, both the decorative pattern of the design of the allegedly infringing product and the decorative pattern of the design of the patent consist of patterns of flowers and relate to similar subject matter, and thus the difference between the two patterns is too negligible to distinguish the designs from each other.

Case II

The patent infringement dispute between MAPED SAS, the petitioner, and Yangjiang Bangli Trade Co., Ltd. and Yangjiang Yilida Co., Ltd., the respondents, relates to a Chinese design patent titled "Scissors." (No. 29 [2013], Civil, Appeal for Retrial)

Both the courts of first instance and second instance do not find infringement reasoning the design of the allegedly infringing product (Device 2 below) is substantially different from the patented design (Device 1 below) because the former has a colored pattern which brings a substantially different overall visual effect from the latter, although the shapes of the designs are similar to each other.



MAPED appeals to the Supreme People's Court and the Court hears the case. Although the Court reaches a conclusion of non-infringement, the Court provides different grounds.

First, the Court does not take the colored pattern into consideration, because the patent does not claim a color protection nor any pattern on the blades, and therefore the colored pattern difference between Designs 1 and 2 is additionally imposed to the allegedly infringing product and should not be put into consideration for determining infringement

Then, the Court focuses on the shape in designs: the design of the allegedly infringing product has two considerable bosses forming a rivet on either side of the scissor and a centralized wave-like texture while the design of the patent has instead a small rivet and a

centralized straight slot. The Court believes that shape difference feature is located at the centre of view and has notable influence on the overall visual effect, which makes the design of the allegedly infringing product be substantially different from the design of the patent.

The Supreme People's Court concludes that the design of the allegedly infringing product and the design of the patent are neither identical nor similar because of the shape difference feature, and that lower courts erred in finding the colored pattern on the scissor blades has a notable influence on the overall visual effect of the scissor which makes the design of the allegedly infringing product be substantially different from the design of the patent.

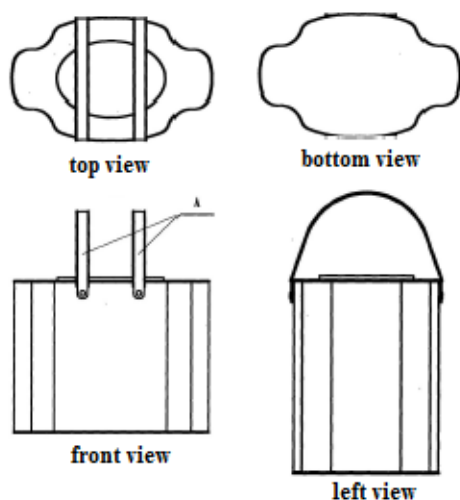
Case III

The patent infringement dispute between Chen Chunbin and Lanxi Changcheng Food Co and Beijing Minshengjiale Business Management Ltd. relates to a Chinese design patent entitled "food packaging." (No. 438 [2014], Civil, Appeal for Retrial²)

The Supreme People's Court concludes that the design of the allegedly infringing product differs from the design of the patent (ZL200530114119.3, as shown below) in shape difference feature a) and pattern difference feature b), wherein the shape difference feature a) lies in that the design of the allegedly infringing product has eight symmetrical generally oval concaves in cross section while the design of the patent has instead four symmetrical generally oval concaves in cross section, and the pattern difference feature b) lies in that the allegedly

² Kaiyuan TAO, Xiaoming SONG, *Supreme People's Court Guidelines for IPR Trial Case (seventh series)*, [M] ., China Legal Publishing House, 2015.5:126-128

infringing scissor has pattern thereon while the design of the patent does not have any pattern.



The Supreme People's Court believes that shape difference feature a) is not notable enough to substantially distinguish the design of the allegedly infringing product from the design of the patent, because the difference of the number of concaves is not sufficient for making the designs of the product be quite different from each other. Since both the cross section in the design of the allegedly infringing product and the cross section in the design of the patent are generally oval, and the cover and the handle of both designs are almost the same, it is concluded that the design of the allegedly infringing product has a shape that is similar with the shape of the design of the patent.

With regard to the pattern difference feature b), the Supreme People's Court holds that, such an add-on pattern feature does not have any substantial or notable influence on the overall visual effect in the case where the design of the patent merely involves shape and does not have any pattern.

Therefore, the Supreme People's Court

believes that the design of the allegedly infringing product falls into the protection scope of the patent.

Test for Design Patent Infringement

It can be seen from the above-mentioned cases that Chinese judicial system has been practicing and developing a new criterion for determining infringement of a design patent to enhance and strengthen the protection of design patents. Accordingly to the new criterion, the protection scope of the design patent need to be determined, and, based on the determination of the protection, it is determined whether all the claimed design features of the design patent can be found in the design of the allegedly infringing product and if yes, the design of the allegedly infringing product would fall within the protection scope of the design patent.

In particular, when determining whether infringement occurs, focus is on the patented design features that distinguishing from prior art, and additional design features such as add-on pattern and/or color, which are not included in the protection scope of the patent, generally do not have any notable or substantial influence on the determination of infringement. Accordingly, in the case where the novel aspects of the patent do not involve pattern or color, the pattern and color added to the design of the allegedly infringing product will generally be excluded. If the design features that distinguishing the design of the patent from prior art are included in the design of the allegedly infringing product, generally, the design of the allegedly infringing product will be considered to fall into the protection scope of the patent.

For example, in Case I, the Supreme People's Court holds that the design features that distinguish the design of the patent from

prior art have more notable influence on the overall visual effect of the design than other design features and simple replacement of decorative pattern is generally too negligible to distinguish the design of the allegedly infringing product from the design of the patent if the design of the allegedly infringing product includes the design features of the patent that distinguish the design of the patent from prior art.

In case II, the Supreme People's Court overturns the judgment of the court of the second instance which wrongly concludes that the colored pattern brings about a substantially different overall visual effect of the design. Instead, the Supreme People's Court holds that the design of the allegedly infringing product and the design of the patent are neither identical nor similar because of the notable shape difference feature and that add-on elements such as pattern do not have any substantial influence on the determination of infringement if the allegedly infringing product has a design that is identical or substantially identical with the design of the patent.

In case III, the Supreme People's Court believes that an add-on pattern feature does not have any substantial or notable influence on the overall visual effect in the case where the design of the patent merely involves shape and does not have any pattern. In the case where the design of the allegedly infringing product has a shape that is similar with the shape of the design of the patent,

the design of the allegedly infringing product will generally be considered to fall into the protection scope of the patent.

The test set in the above-mentioned three cases is very helpful on how to evaluate the influence of the design features on the visual effect of the design is significant in this regard have legal significance. Generally, the design features that distinguish the design of the patent from prior art have more notable influence on the overall visual effect of the design than other design features and the add-on design elements are usually negligible.

The above-mentioned three cases are also very helpful on the establishment of a new criterion of determination of infringement. The protection scope of the design patent need to be determined before determining whether infringement of the patent occurs, and, based on the determination of the protection, it is determined whether the design of the allegedly infringing product include all the claimed design features of the design patent, in particular the design features that distinguish the design of the patent from prior art and have notable influence on the overall visual effect of the design. In contrast, add-on design elements such as add-on pattern and color are usually negligible and do not have any notable influence on the overall visual effect.

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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