

Highlights of August



Partners of Chang Tsi & Partners Invited as Professional Mentors by Peking University

Recently, Mr. Ason Zhang and Mr. Michael Wu were invited by the Peking University to serve as the first batch of honorary mentors. For a long time, Chang Tsi & Partners has paid attention to the development of young lawyers, practicing social responsibility and sharing industrial-leading experience.

Discussing the Concepts of Technical Inspiration: Chang Tsi's Opinions Supported by CNIPA

In the patent invalidation procedure, the judgement of whether there is technical inspiration to solve the technical problem in the prior art tends to become the focus of a dispute between both parties due to its ambiguous standards and complicated rules. Mr. Kim Lu discusses the concepts of technical inspiration and its practical application in a recent case in China.

Tips for Trademark and Copyright Protection in Hong Kong

Many of our clients today are paying more attention to the HK market and the protection of their legal rights in this jurisdiction. In this article, Ms. Lihan Yang introduces some tips for trademark and copyright protection in Hong Kong.

Trademark Updates in Macau

A total of 14,743 applications were filed in 2021 in Macau, growing by 9.41% year-over-year. Among the applications, product and service trademarks occupied 65% and 35%, respectively.

Holiday Notice

Please note that the following dates have been declared as Public Holiday in conjunction with Mid-Autumn Festival.

Mainland China: 10-12 September 2022

Taiwan: 9-11 September 2022

Hong Kong: 10-12 September 2022

Macao: 10-11 September 2022

All deadlines falling on a holiday will be automatically extended. Should you have any urgent cases, please let us have your instructions ahead of the holidays.

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Peking University School of Transnational Law ("STL") is the only law school in China that offers an American Common Law Juris Doctor degree (J.D.), and the only law school in the world that offers both an American law J.D. and a China law Juris Master's degree (J.M.). STL also offers a unique LL.M. program for international students.

In order to help students timely and accurately understand the industry information, expand interpersonal resources and improve the competitiveness of the workplace, the employment office of the School of International Law of Peking University has launched the professional mentor program. This program is the first mentor program since the establishment of the school. It aims to build a non-profit and mutually beneficial platform for students and professional mentors to exchange experiences and ideas. To this end, outstanding senior alumni in various fields have been invited to serve as professional mentors to promote the interaction and communication between mentors and students in a flexible and easy manner. It is designed to promote students' development, boost their achievements and foster friendship.



Discussing the Concepts of Technical Inspiration: Chang Tsi's Opinions Supported by CNIPA

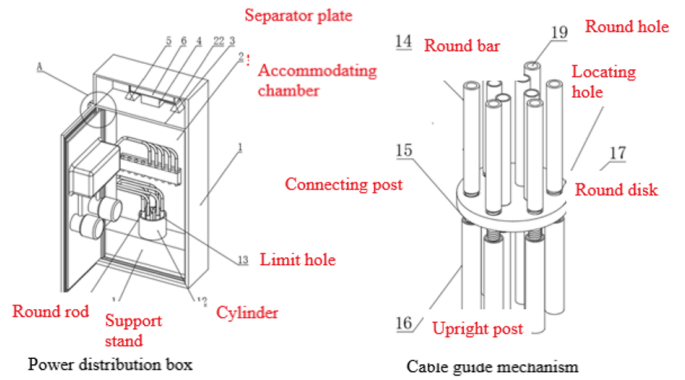
Kim Lu | Partner

I. Highlights of the Case

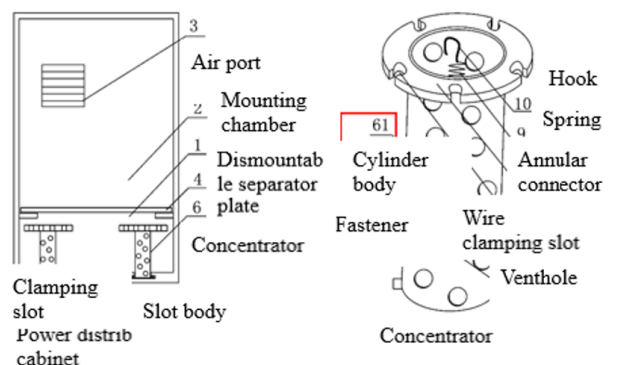
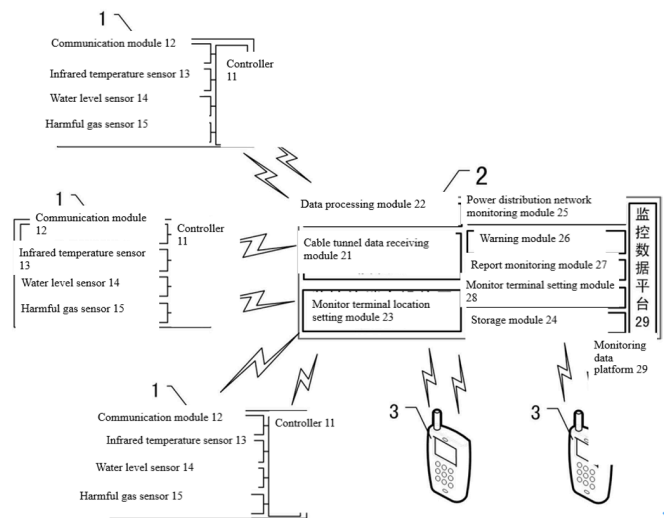
In the patent invalidation procedure, the judgement of whether there is technical inspiration to solve the technical problem in the prior art tends to become the focus of a dispute between both parties due to its ambiguous standards and complicated rules. In this case, the petitioner denies the inventive step of the patent involved by using D1 as the closest prior art, and combining several other reference documents. In this regard, with the closest prior art as the starting point and oriented by the technical problem solved by the patent involved, our team makes an in-depth analysis of whether the motivation to make improvement can be generated on the basis of the closest prior art, and formulates the targeted strategies for response accordingly. At last, the Reexamination and Invalidation Department of the CNIPA supports our opinions, declaring that the patent right is sustained to be valid.

II. Examination Procedure

The patent involved protects a power distribution box with an environmental monitoring function. The box body inside comprises a plurality of mechanical structures and electrical modules to realize electrical interconnection through electric wires in the cable guide mechanism, thereby realizing the environmental monitoring function.



The petitioner believes that D2 discloses a power distribution cabinet, wherein a concentrator 6 (cylinder body 61 + wire clamping slot 62 + fastener 63 + venthole 64; see the Figure below) may be placed on a cable that needs to be mounted, and the structure thereof is also cylindrical. Thus, the petitioner believes that “the concentrator” disclosed in D2 is equivalent to “a cable guide mechanism” in the patent involved.



With regard to the reasoning and evidence for invalidation above, we believe that the petitioner evaluates the inventive step of the patent involved by citing several patent documents formally, but only pieces a plurality of technical features substantively, failing to judge whether there is the motivation to make improvement from the closest prior art. As a result, the judgment of whether there is technical inspiration is erroneous. The analysis is made as follows:

Regarding whether there is the technical inspiration to solve the technical problem in the prior art, the following approach to assessment is provided in Part II, Chapter 4 of the Guidelines for Patent Examination: "... shall make a judgment, starting from the closest prior art and the technical problem actually solved by the invention, as to whether or not the claimed invention is obvious to a person skilled in the art. What is to be determined is whether or not there exists such a technical motivation in the prior art as to apply said distinguishing features to the closest prior art in solving the existing technical problem (that is, the technical problem actually solved by the invention), where such motivation would prompt a person skilled in the art, when confronted with the technical problem, to improve the closest prior art and thus reach the claimed invention. If there exists such a technical motivation in the prior art, the invention is obvious and thus fails to have prominent substantive features."

It can be seen that in terms of the judgement of technical inspiration, whether the motivation to make improvement is generated shall be judged on the whole with the closest prior art as the starting point and oriented by the technical problem solved by the patent involved. The motivation to make

improvement contains whether there is the internal motivation of requiring to make improvement in the closest prior art and whether there is the external motivation to provide inspiration on the whole in other prior art documents. We believe that only in case of the presence of internal motivation and external motivation at the same time, "a bridge" is possibly set up between the closest prior art and other prior art documents.

1. Internal motivation - whether there is a requirement for making improvement in the closest prior art

Whether there is a requirement for making improvements over the closest prior art depends on whether there is the technical problem solved by the patent involved on the basis of the distinguishing technical features in the closest prior art.

In the case, a connecting post (15) is mounted on the inner wall of each locating hole (18) on the round disk (17) provided in the power distribution box, the top of the connecting post (15) is connected with a round bar (14), and the bottom thereof is connected with an upright post (16) in the patent involved. Those components collectively form a routing pipeline as a cable guide mechanism. Based on the disclosure regarding the cable guide mechanism in the description, it can be determined that the technical problem solved lies in how to avoid winding of the electric wires inside the box and preventing ageing of the electric wires due to damping.

The monitoring system disclosed in D1 aims at automatically monitoring and smartly adjusting the tunnel environment. No matter on the basis of the disclosure in D1 or the

understanding of the contents disclosed in D1 when read by a person skilled in the art, a person skilled in the art could not aware the requirement for solving the technical problem, namely "avoiding winding of the electric wires inside the box and preventing ageing of the electric wires due to damping". D1 discloses in paragraph [067] of the description that "realizing centralized monitoring and control through a smart wireless monitor terminal ...". It can be seen that in the monitor system disclosed by D1, the monitor terminal is connected with the center server based on remote communication, not relating to a structure associated with the power distribution box in the case involved. Likewise, there is no cable located in the power distribution box. On this basis, it is neither necessary nor possible for a person skilled in the art to solve the technical problem, namely cable winding or damping.

Therefore, there is no technical problem solved by the patent involved based on the distinguishing technical features in the closest prior art for the present case. On this basis, a person skilled in the art has no internal motivation to make improvement. Under the circumstances, it is impossible for

a person skilled in the art to improve the prior art towards the patent involved. Likewise, no technical inspiration can be obtained even though other prior art documents disclose the same technical means as the distinguishing technical features and can solve the technical problem above.

2. External motivation - whether other prior art documents provide the technical inspiration

Under normal conditions, on the premise that there is no internal motivation of requiring to make improvement in the closest prior art, as there is no basis for improving the prior art, it is not necessary to analyze whether other prior art documents provide the external motivation, either. However, for further improving the possibility of successful defense, it is also necessary in practice to demonstrate that other reference documents do not provide the external motivation.

In the case, the concentrator disclosed in D2 is mounted at the bottom of the box body, the cable is wound on the cylinder body 61, the cable extending above the mounting chamber is clamped into the clamping slot



Kim Lu, Partner

Kim has 13 years' experience in IP litigation and prosecution in China. He has extensive experience in representing domestic and foreign companies in both contentious and non-contentious matters, and has in-depth research on patent regulations in China Mainland, Taiwan, and US. Kim's practice is focused on patent infringement and invalidation actions, patent prosecution, unfair competition litigation, antitrust litigation, etc.

62, and then the hook 10 is hung on the cable. The effect of the concentrator lies in tightening the cable, and cooling the cable through a venthole at the same time. As different from D2, the cable guide mechanism in the patent involved is mounted on a support stand to connect the top of the connecting post with a round rod and connect the bottom thereof with an upright post. Those components collectively form a routing pipeline. In this way, the effects of avoiding cable winding and preventing cable damping can be produced.

It can be seen that D2 fails to disclose a cable guide mechanism collectively formed by "a connecting post + a round rod + an upright post" and having the technical effects above in the patent involved. Hence, we believe that D2 does not provide any technical inspiration on the whole, that is, no external motivation to make improvement is provided for a person skilled in the art.

Starting from the two perspectives, namely internal motivation and external motivation, we believe that a person skilled in the art would not be motivated to derive the technical solutions protected in the patent involved on the basis of D1 in combination with D2, and use the same as the effective defense strategies for an oral hearing.

At last, the panel accepts our claims, holding that D2 differs from the technical solutions to which the distinguishing technical features belong in terms of technical conception. A person skilled in the art would not be motivated to combine them. As for other distinct technical features we claimed, the panel also accepted our opinions and finally decided to sustain the validity of the patent right.

III. Significance of the Case

In some cases, the invalidation strategies adopted by a petitioner for invalidation tend to make comments by separating different technical features in the patent involved with other prior art documents but neglecting whether the closest prior art has the corresponding technical defects, and whether there is a basis for improvement.

Under such circumstances, the patent attorney on behalf of the patentee shall pay attention to avoid restricting our defense strategies within the idea as set by the petitioner, namely, simply comparing multiple technical features with the corresponding reference documents one by one, but shall focus on the judgment of whether there is the motivation to improve by upholding the holistic thinking in the first place.

The judgment of whether there is motivation to improve is a course where subjective thought is reflected in objective activities. The inner motivation as a premise is combined with the external motivation as a condition to serve as the standard for judging whether there is a technical inspiration. This can help the examiner have an inner conviction during case judgment. In particular, when the examiner wavers and hesitates, the examiner will be guided to determine whether the technical means to solve the technical problem will be concerned and sought from the prior art from the perspective of a person skilled in the art. Suppose the technical problem above is not present in the closest prior art or no external motivation is provided in other prior art documents. In that case, a person skilled in art cannot obtain corresponding technical inspiration.

Tips for Trademark and Copyright Protection in Hong Kong

Lihan Yang | *Attorney at Law*

What is evidence of distinctiveness in HK?

A trade mark that is refused registration because it is not distinctive can still be registered, if you can show that before the date of application for registration, it has in fact become distinctive as a result of the use made of it. To show that the mark has in fact become distinctive you will need to file evidence in a statutory declaration explaining:

1. what the mark is
2. how it is used
3. that it is used by you, or by another person under licence from you
4. how long you have used it and in what circumstances
5. how it has become distinctive, in other words, that customers recognise the goods or services sold under the mark as your goods or services.

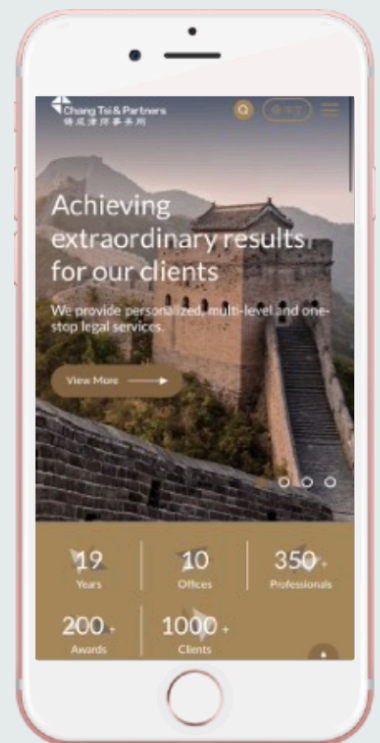
If you use a standard form of statutory declaration, you should expand it by adding the necessary details to explain the points above. The facts you refer to must relate to the period before the date of application for registration to show that the mark has become distinctive before that date. You should support your statements in the declaration by including relevant evidence such as copies or photographs of labels, packaging, brochures or advertisements showing the mark and examples of invoices or customer lists.

If you submit copies of any copyright-protected materials to the Trade Marks Registry at any time for processing your application, please ensure the necessary consent has been obtained: you should only submit copies of copyright-protected materials where the relevant copyright owner(s) has/have consented to the use of such copies by the Trade Marks Registry for the purpose of the administration of the Trade Marks Ordinance and its subsidiary legislation.

Chang Tsi & Partners is a leading full-service Chinese law firm with a strong reputation in intellectual property and litigation. Established in 2002, Chang Tsi & Partners always integrates legal solutions and peace of mind in China's competitive and turbulent market.

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www.changtsi.com



Copyright Protection in Hong Kong

There are no formalities required to obtain copyright protection for a work in the Hong Kong SAR. Works of authors from any place in the world, or works first published anywhere in the world, also qualify for copyright protection in the Hong Kong SAR.

Copyright is an automatic right. It arises when a work is created. Unlike other intellectual property rights such as patents, trademarks and industrial designs, it is not necessary to register a copyright in the Hong Kong SAR, in order to get protection under the law of the Hong Kong SAR. In fact, there is no official registry in the Hong Kong SAR for registration of copyright works.

Our HK Team will be happy to provide further legal assistance for our clients when needed, and please feel free to contact us via HKteam@changtsi.com

Trademark Updates in Macau

In Macau, a member of the World Intellectual Property Organization (WIPO), over 200,000 trademarks have been registered up-to-date.

A total of 14,743 applications were filed in 2021, growing by 9.41% year-over-year. Among the applications, product and service trademarks occupied 65% and 35%, respectively.

Macau Customs maintains an enforcement department for IP investigation that works closely with Mainland Chinese authorities, foreign customs agencies, and World Customs Organization to ensure best practices in encountering criminal organizations engaged in IP theft.



Lihan Yang, Attorney at Law

As the assistant of the founding partner, Lihan assists the founding partner and managing partner to handle legal matters and run daily operations, who is responsible for producing important materials required by partners' overseas visits, international conferences. As the director of client relations in the firm, she has led the team to win the bidding of new domestic and foreign clients many times. Meanwhile, she also manages and connects more than 130 global cooperative law firms and in charge of all trademark outbound cases of the firm.

More than six years' academic background in law built her solid legal foundation and professional. At present, she not only serves as the outside legal counsel of Wilsonart, but also as the litigation attorney of Alibaba Group, Midea Group, and Dart Industries Inc. and helped clients get many favorable judgments. Lihan has become a rising young lawyer in the IP field.