

Monthly Newsletter

Issued by Chang Tsi & Partners | www.changtsi.com | Mar 2023

Chang Tsi Celebrates International Women's Day

For a long time, Chang Tsi & Partners has been committed to promoting the development of women's power in the legal industry and helping women practitioners thrive.

On March 8, Chang Tsi & Partner held the special event to celebrate the Women's Day with all employees to explore "She Power".

We would like to recognize the incredible strength, resilience, and determination of women everywhere and celebrate the progress that has been made towards gender equality in legal industry

We wish every women a Happy Women's Day. Let's commit to creating a world where every woman has the opportunity to thrive, succeed, and fulfill her potential.

Holiday Notice

Our office and IP Administration in regions below will be closed for Qingming Festival as follows:

Mainland, China: 5 April 2023

Taiwan: 1-5 April 2023

Hong Kong: 5 April 2023

Macao: 5 April 2023

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.



Kim Lu and Michael Wu Invited to the Global Information and Communication Intellectual Property Summit (GIIPS)

The Global Information and Communication Intellectual Property Summit (GIIPS) was held under the theme "Join Forces in Multiple Dimensions to Build a New Ecosystem for Information and Communication Intellectual Property."

The summit brought together experts, scholars, lawyers, and industry professionals from various fields to discuss hot topics in the information and communication industry, such as SEP legislation and judicial status, FRAND licensing fees, big data compliance, and enterprise intellectual property management.

Nearly 600 practitioners attended the summit, both online and offline.

Kim Lu, Partner of Chang Tsi & Partners, was invited to host the conference and guide guests from all walks of life to participate in discussions and exchanges.

Kim Lu has extensive experience and influence in the field of intellectual property and has been invited to speak at many conferences, making him a recognized expert and authority in the field of intellectual property both domestically and internationally.



Michael Wu contributed to the roundtable discussion on "Discussion of Hot Issues such as FRAND Injunctions, Anti-Injunctions, and Anti-Suit Injunctions in SEP Litigation". Michael Wu stated that the issue of whether to apply the proportionality principle in determining an injunction in SEP litigation is controversial. Under the framework of China's patent law, the court usually judges the fault of each party and orders the defendant to stop the infringement accordingly. However, in some cases, an injunction may bring unreasonable difficulties to the licensee and be disproportionate to the interests of the patentee, therefore, the proportionality principle needs to be considered. If the patentee has already monetized the patent, paying the licensing fee may provide sufficient compensation, and there is no need to issue an injunction. For small-scale licensees, the interest on delayed payment of the licensing fee can be taken into account to avoid direct injunctions from the court and to resolve conflicts through negotiation as much as possible.



Spring Chang Awarded Top 15 Female Lawyer by LEGALBAND

We are pleased to announce that Spring Chang, Founding Partner of Chang Tsi & Partners, was awarded "2023 Client Choice: Top 15 Female Lawyers" by LEGALBAND with her abundant professional experience and high reputation among clients.

As a well-known legal rating agency under Accurate Media Group, LEGALBAND provides in-depth knowledge related to the Asian legal market through publishing articles, reports and guidebooks on a regular basis. The research team of LEGALBAND is well known for its thorough understanding of the legal service market for its extensive knowledge and experience in professional fields. The major roles that LEGALBAND plays are evaluating law firms and lawyers via carefully designed rating systems together with research programs, and recommending legal elites in legal fields for both internal corporate legal advisers and individuals. LEGALBAND, therefore, has been a trusted legal guide for clients who need excellent law firms and lawyers.

Named the World's Leading Intellectual Property Lawyer by Chambers & Partners, Spring Chang has advised and represented numerous world's leading firms in a wide array of business sectors such as electronics, consumer, pharmaceutical, food and beverage, apparel, and jewelry. Thanks to her creative approach and high efficiency in over three decades of practice, Spring has earned an international reputation and many publications appreciate her "great judgment" and "wealth of experience in serving well-known multinationals". Spring has been widely recognized as one of the most influential IP lawyers in China by leading legal media as she always provides clients with tailored legal solutions in a rapidly changing Chinese market. She has been also invited by renowned legal associations and institutions worldwide to share her extensive knowhows in trademark and design patent law.



A New Approach to Handle Patent Infringement Cases in China

Michael Wu

On June 1st, 2021, the Fourth Amendment of Chinese Patent Law came into force. Under the new patent law CNIPA is entitled to handle patent infringement disputes that have significant impact across the country and to provide early resolution for drug patent disputes with the request of patentees or interested parties. The judicial and administrative "dual-track" system for patent infringement cases has been further strengthened thereof.

In 2022, CNIPA has concluded 2 administrative adjudication cases of major patent infringement disputes and 70 cases of early resolution for drug patent disputes. Due to the COVID-19 pandemic and quarantine policy, some of those cases were conducted online, which actually brought convenience to the parties involved and saved time and costs.

To improve the efficiency of administrative proceeding and to standardize the workflow of online hearing, Measures for Online Oral Trials of Administrative Adjudication Cases of China National Intellectual Property Administration (CNIPA) (Hereinafter referred to as the Measures) came into effect on February 24, 2023.

The Measures clearly specifies that the following four types of cases can be applied to online oral hearing:

1. Administrative adjudication cases of major patent infringement disputes;
2. Administrative adjudication cases of early resolution for drug patent disputes;
3. Administrative adjudication cases of disputes over exclusive rights to layout-designs of integrated circuits;
4. Other administrative adjudication cases that are suitable for online oral trails.

What worth noting is that two well-known Chinese tech giants, Huawei and Xiaomi, have been involved in patent dispute these days. Based on 4 patents, Huawei filed administrative adjudication cases on patent infringement against Xiaomi, CNIPA accepted the cases. Two of these cases involve 4G/LTE technology, which are standard essential patent (SEP) disputes. Others involve mobile phone photography and unlocking technologies, which are non-SEP disputes. The root cause of patent disputes between Huawei and Xiaomi is the failure to reach a licensing agreement. In this scenario, Huawei may want to take advantage of CNIPA's administrative track for major patent infringement disputes. By initiating the adjudication process quickly at a low cost, Huawei is hoping put pressure on Xiaomi so as to obtain a dominant position in the negotiation of licensing agreement.

Based on the strengthened "dual-track" system, we provide our clients with a more diverse and comprehensive strategy to protect their patents. For instance, we provide well-rounded strategy for a Chinese well-known tech giant - the strategy of patent infringement civil lawsuit combining with administrative adjudication, administrative complaints, and customs seizures.



Michael Wu

Partner

Mr. Michael Wu specializes in matters related to patent infringement, copyright infringement, trademark infringement, and unfair competition litigation, enforcement of intellectual property rights through administrative procedures and patent invalidation proceedings. Mr. Wu has earned licenses to practice as an attorney at law and as a patent attorney. Wu has a unique understanding of mobile telecommunications patent litigation, software patent litigation, and copyright litigation related to the internet.



Tips for Deferred Examination in China

Phoebe Xi

Since 1 November 2019, deferment examination has already taken effect in China. In particular, the deferment request must be filed at the same time of filing the request for substantive examination, and the period for postponing the examination can be 1 year, 2 years or 3 years. However, in the practice, we found many applicants may pay much less attention on this prescription or may not fully take advantage of it.

In some cases, when we report to our client its application is expected to be granted a patent right soon, the client may instruct us to postpone the grant of the application due to some commercial purposes. At this time, what we can do is only to file an extension request for response (which is two months maximum) and/or conducting the restoration procedure by failing to respond to the notification by the deadline, but by doing these, we may only can postpone the response by around six months maximum.

Therefore, if the applicant can predict the importance of its patent applications and may be confident for its granting prospect, the applicant can use the deferment request when filing the request for substantive examination to confuse its competitors, prevent them from knowing the final protection scope of patent protection in a timely manner, and thus let them fail to develop similar products in advance.

Furthermore, unlike in other countries, in China, there are strict limitations on filing a divisional application. In particular, the divisional application must be filed before the conclusion of its parent application unless the Examiner indicates the unity issue during the examination for the early divisional application, and then the applicant can file a further divisional application(s) before the conclusion of this early divisional application.

Therefore, in order to retain the opportunity to file new divisional applications, the applicant may hope to cause unity issue during the examination of the early divisional application, but it has great uncertainty. If we failed, the applicant will lose the last opportunity to file another divisional application.

The deferment examination will give the applicant more time to consider the scope of protection of its application, and the applicant can combine the request for deferment examination with the divisional strategy to achieve the purpose of retaining the opportunity to file a new divisional application and try different defense strategies as long as possible.

In addition, we found some applicants want to file the PPH (Patent Prosecution Highway) based on the claims which have a great opportunity to be granted a patent right in other patent offices which has set up PPH programs with the Chinese Patent Office. However, it is uncertain when the claims will be finally granted in other patent offices, therefore, the applicant hoped to file a deferment request for its application in China, and thus deer the deadline of voluntary amendments, thereby having more time to prepare the claims in China to sufficiently correspond to the claims finally granted in other patent offices.

For this, please be informed that, the deferment request is made only to postpone the examination procedure, and it cannot defer the deadline for voluntary amendments. The last chance for the applicant to make the voluntary amendment is still within three months after receiving the Notification of Entering into Substantive Examination Stage from CNIPA (China National Intellectual Property Administration).

Last, please note that, once a deferment request is made, it cannot be withdrawn or request CNIPA to start substantive examination before the required period expires.



Phoebe Xi
Patent Attorney

Phoebe Xi, a patent counsel and head of the Bio-Chemistry department, has been practicing patent law since 2011 and she started to work for our firm at 2014. She is highly experienced at all kinds of patent work, including drafting and prosecuting applications, challenging and defending patents before the Patent Reexamination and Invalidation Board, managing patent portfolio, developing patent filing strategies, etc.

Freda Han Appointed as Consultant for the Fourth Legal Advisory Group of the Xicheng District Committee and District Government

The fourth appointment ceremony of the Legal Advisory Group of the Xicheng District Committee and District Government was held, and Freda Han, Partner of Chang Tsi & Partners, was appointed as a consultant for the fourth Legal Advisory Group of the Xicheng District Committee and District Government for a term of five years.

The meeting summarized the work of the third Legal Advisory Group and passed the "Working Rules of the Legal Advisory Group of the Xicheng District Committee and District Government of Beijing" and the "Work Management Plan of the Legal Advisory Group of the Xicheng District Committee and District Government".

In the meeting, the appointment list for the fourth Legal Advisory Group was announced, and Freda Han was appointed as a consultant. Han expressed gratitude for the trust and support of the Xicheng District Committee and District Government and promised to fulfill her responsibilities as a legal advisor and actively contribute to the promotion of the rule of law.



The Beijing Intellectual Property Court and the Beijing Lawyers Association recently held a seminar on the development and publication of guidelines for notarization and certification of foreign-related cases. Freda Han, Partner of Chang Tsi & Partners, was invited to attend the seminar.

Freda Han pointed out that the two "guidelines" previously issued by the Trademark Committee of the Beijing Lawyers Association have received strong support from judges of the filing department of the Beijing Intellectual Property Court and achieved excellent results.

It is a great honor for the Beijing Lawyers Association to jointly develop and publish an updated and improved new version of the guidelines with the Beijing Intellectual Property Court. It should be recognized that there are arduous tasks ahead.

Despite the challenges, Beijing Lawyers Association are a group with aspirations. With the joint efforts of the Beijing Intellectual Property Court and Beijing Lawyers Association, the task can be completed with quality guaranteed.

The purpose of this seminar is to strengthen the quality and efficiency of China's notarization and certification work for foreign-related cases, improve the professional level and service quality of Chinese lawyers and judicial workers in foreign-related cases, and provide better services and guarantees for the international community, promoting smooth communication and cooperation in foreign affairs.

Freda Han Attended the Seminar on the Guidance of Notarization and Certification of Foreign-related Cases