

Creating consistency across civil and invalidity action involving same design patent (2022)

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Feng (Janet) ZHENG, first published by IAM

In China, design patent infringement litigation often proceeds in parallel with the counter action - an invalidity proceeding instituted by the defendant challenging the validity of the design patent at issue. Since civil litigation and invalidity proceeding respectively fall within the remit of the judiciary and the China National Intellectual Property Administration ("CNIPA"), it could give rise to the application of inconsistent criteria in the parallel yet closely intertwined proceedings. Where a design patent's validity is maintained for incorporating certain features that differentiate it from the prior design, if in the meantime, the accused infringing product also has certain distinguishing features from the design patent, could infringement still be established? Below is a live example.

Kidsland is a leading toy brand operator in China. It was sued by a Chinese individual HUANG Yongjun ("HUANG") for design patent infringement on the ground that one of Kidsland's nutcracker toys featuring a drumming soldier standing on a podium ("Accused Product") infringed his design patent.



Accused Product



HUANG's Design Patent

HUANG filed patent infringement litigation before the Guangzhou IP Court against Kidsland. As counter action, Kidsland filed

invalidation action against HUANG's design patent before the CNIPA. There are quite a few prior nutcracker toy designs featuring a drumming soldier standing on a podium. Below is the comparison of one prior design and HUANG's design patent.



A Prior Design



HUANG's Design Patent

The CNIPA sustained the validity of HUANG's design patent. The panel held that despite some common features the design shares with prior designs, it incorporates features that may distinguish itself from prior designs, including the shape of the soldier's hat, the pattern of the soldier's uniform, the shape of the drum and the podium, which made the overall visual effect of the design obviously different from prior designs.

The Guangzhou IP Court, without analysing the rationale behind the CNIPA's invalidity decision, found that the Accused Product and the design are similar and confirmed Kidsland's infringement liability. Kidsland appealed to the Guangdong High Court.

The court of appeal analysed the CNIPA's invalidity decision. The court found that the common features shared by the Accused Product and the design are features disclosed by prior designs; whilst the difference between the Accused Product and the design are those features distinguishing the design from prior designs. The lower court erred in finding the Accused Product and the design similar based on the shared common features disclosed by prior design, and erroneously broadened the design's protection scope. The court of appeal thus revoked the first instance decision.

It is paramount that court and the CNIPA employ consistent criteria in assessing similarity of designs across infringement and invalidation proceeding. Another issue merits attention: the validity of the design patent at issue is maintained because the CNIPA sets a low bar as to the patentability of design patents. If the agency could recalibrate its patentability test of design patents on whether the said design has achieved new aesthetic visual effect, HUANG's design would be invalidated in the invalidity proceeding in the first place and save the defendant the trouble and money in filing an appeal.

