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Chinese courts take firm stance in first-of-its-kind copyright infringement case by ordering demolishment of

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Claus Zhang, 23 July 2025, first published by IAM

On 11 June 2025, the Henan High Court rejected a retrial application filed by Henan Jing Kai Li Real Estate (JKL), which made final the Xinxiang Intermediate Court's second-instance decision in a copyright infringement dispute involving the iconic architectural work of the Aranya Seashore Chapel in the coastal city Qinhuangdao.

The appeal court ordered the infringing structure to be demolished within one month of the ruling. This is said to be the first known case in China in which a court has directly ordered the demolition of a building for copyright infringement.

Case background

The name 'Aranya' is derived from Sanskrit and translates as 'a serene place above the mundane'. Promoted as a lifestyle brand, Aranya has become synonymous with a utopian community with minimalistic design and otherworldly serenity. In 2014, Qinhuangdao Aranya Real Estate Development built a minimalist and solitary chapel on the coast of Qinhuangdao in Hebei Province, and its distinctive aesthetic quickly made it a social media hotspot. The copyrighted architectural work was licensed to its affiliated company Aranya Group for commercial use and enforcement.

In March 2024, Aranya Group discovered multiple posts on Chinese social media platform RedNote featuring a chapel located in Xinxiang, in Henan Province. Dubbed as 'copycat Aranya', the building bore a striking resemblance to the Aranya chapel.



Figure 1. Aranya chapel



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Figure 2. Infringing building

As its cease-and-desist letter to JKL proved futile, Aranya Group filed a lawsuit with the Weibin District Court in Xinxiang, seeking immediate demolition of the infringing structure, as well as 300,000 yuan to cover damages and legal expenses.

Court decision

On 9 September 2024, the Weibin District Court found that JKL had indeed infringed the copyright. However, given the cost already incurred in the building's construction, the court held that full demolition would be disproportionate. It instead ordered cessation by way of remodelling, which would be subject to consultation with Aranya Group. The court also awarded 6,000 yuan in damages. Aranya Group appealed.

During the second-instance proceedings, JKL claimed to have spent approximately 60,000 yuan on the construction of the infringing structure. On 26 February 2025, after assessing the building's construction cost, current state, the degree of similarity to the original copyrighted work and the viability of subjecting the building to remodelling, the appeal court ruled that remodelling was unenforceable and demolition was the more viable remedy. It thus ordered the building to be torn down within one month. The court also enjoined JKL from disseminating images of the infringing structure and ordered 20,000 yuan in damages.

JKL petitioned the Henan High Court for a retrial, the focus of which was whether demolition was a necessary and proportionate remedy. The retrial court held that:

- \cdot after the conclusion of the first-instance proceedings, JKL conducted voluntary remodelling without consulting Aranya Group or altering the infringing features, particularly the roof; and
- · the building had no designated practical use and only cost 60,000 yuan to construct.

The court therefore concluded that further remodelling would fail to address the copyright infringement and instead incur additional waste in terms of design, materials and labour. Weighing the viability and cost of remodelling and the effective protection of the rights holder's legitimate interests, the court upheld the demolition order and dismissed the retrial request.

Diverging from precedent

This case marks a notable departure from previous precedents in China, where courts have generally favoured remodelling over removal or allowed ongoing infringement in exchange for increased compensation.

In the Tribal Doom film case, although the film had been produced without the scriptwriter's permission, the court allowed continued distribution due to the high production costs, opting instead to increase the compensation as a compromise (2022 Yue Min Zai No 346).

In a case involving erasable pens, the court declined to issue an injunction against the unauthorised use of 14 Chinese characters on product packaging, citing the potential marketing ramifications on the accused stationery company and noting that the compensation awarded exceeded the commercial value of the font licence (2021 Su 01 Min Zhong No 11555).

In stark contrast, this case resulted in the ordered demolition of a building with a 60,000-yuan price tag, with a damages award of only 20,000 yuan. This decision sends a strong message and challenges the mindset among

developers that infringement can be legitimised retrospectively with a cheque – an assumption that the courts have now firmly rebutted.

Key takeaways

This judgment showcases the Chinese courts' strong commitment to proportionality. It reflects the thinking that rather than tipping the scales to find a middle ground, proportionality means that rights holders are entitled to the proportionate redress, even if it might lead to greater losses for the infringers.