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NEWSLETTER

知产快报

- Beijing Chaoyang People's Court recently concluded that Jaguar Land Rover Co., Ltd. won the unfair competition case against Jiangling Holdings Co., Ltd, which stirred both the automobile industry and the intellectual property industry. Land Rover has been alleging that Jiangling has been copying the design of Range Rover Evoque in the design of its product LANDWIND X7, which Jiangling has denied. The first-instance judgment was made under Anti-unfair Competition Law after both the automobile design patent of Land Rover and the automobile design patent of Jiangling were invalidated, concluding that Jiangling had been copying five distinctive features of the design of Range Rover Evoque and thus had unfair competition behaviors. Consequently, the invalidation case against Jiangling's design patent once again draws the attention of the public.



Analysis of Jiangling's design patent invalidation case for judging "significant difference" of designs

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Jiangling had a Chinese design patent No. 201330528226.5 with a title of "SUV (Landwind E32)" which was issued on April 23, 2014. On July 25 of the same year, Land Rover filed an invalidation request against the design patent, and, on August 3, 2015, McGovern filed another invalidation request against the same patent. The design patent Reexamination Board declared that the design patent was invalidated in a Decision No. 29146 based on the fact that the design patent did not differ significantly from the comparative design in the overall visual effect. After Beijing Intellectual Property Court revoked the decision made by Patent Reexamination Board in a first instance judgement, Beijing Higher People's Court who received an appeal made a second instance judgment of (2018) Beijing Administrative Final No. 4169 and revoked the first instance judgement.

The validation case had lasted for more than four years since the validation request was filed till the second instance judgment was made. The second instance judgment of the case was selected by the Supreme People's Court on April 22, 2019 to be one of the Top Ten IP Judicial Protection Cases of the Year 2018.

Jiangling's design patent invalidation case has important guiding significance on how to apply the principle of "overall observation and comprehensive judgment" to determine whether a design patent is significantly different from a comparative design. In the following, the invalidation decision, the first-instance judgment and the second-instance judgment of the case will be analyzed to identify the considerations of judging "significant difference" of designs.

I. General considerations for the judgment of "significant difference" of designs in judicial practice

According to Paragraph 2 of Article 23 of Chinese Patent Law, a design for which the design patent right is to be granted shall be significantly different from prior designs or the combination of prior design features.

For design patents, the "significant difference" judgment mainly involves comparison with prior designs and comparison with combination of prior design features. As for the judgment method and the judgment principle, it is generally believed that the overall visual effects of the design patent and the prior designs should be observed as a whole and

comprehensively judged based on the knowledge level and cognitive ability of a normal consumer of the design patented product. In judging, a normal consumer should be the subject of judgment, the

state of prior designs should be taken as an objective reference, and all factors affecting the overall visual effect of a design should be comprehensively considered, including such as conventional designs, partial fine minor changes, parts that are easy or difficult to see in use, functional design features, design space, innovative design features, etc.

Judging whether the design patent has significant difference from the prior design or combination of prior design features is a challenge in practice which involves the

evaluation of influence on the visual effect of design features. How to properly apply the principle of "overall observation and comprehensive judgment" to judge "significant difference" is always concerned, and determination of the influence of a specific design feature on the overall visual effect is especially controversial.

II. Invalidation Decision

In the decision on the invalidation request against the design patent of Jiangling, the design patent Reexamination Board declared that the design patent was invalidated because it does not have significant difference from the comparative design in the overall visual effect.

The views of the design patent and the comparative design are shown as follows.



When judging whether there is a significant difference between the design patent and the comparative design, the invalidation decision takes the following judgment steps: determining the similarities(similar features) and differences(different features) of the design patent and the comparative design; determining the knowledge level and cognitive ability of a normal consumer who should know common knowledge of the automobile industry; determining the size of design space and the state of the prior designs; determining conventional design features and unique design features; and evaluating the influence of the similarities and differences on the overall visual effect.

In the invalidation decision, it is pointed out that, judgement is made based on the knowledge level and cognitive ability of a normal consumer, in consideration of the following factors of the similarities and differences of the design patent and the comparative design: difficulty in car design, frequency of occurring in the prior designs, whether easy or difficult to be noticed, the proportion of the volume occupied and the size of the area. In conclusion, the decision said that the similarities shared by the design patent and the comparative design have a more significant impact on the overall visual effect, while the differences belong to the fine design details, and most of the distinguishing design features are prior designs or are taught by prior design techniques, so that the differences has little influence on the overall visual effect. As a whole, the similarities between the design patent and the comparative design show that they both have basically the same three-dimensional shape and overall design style, both including the suspension roof design, the same body proportion, the similar side waist line and skirt line style, the front lamp and the grille integrated with the shell-shaped hood, the rear lamps outlined correspondingly to the front lamps, and the same back door, resulting in no significant difference in the overall visual effect.

III. First Instance Judgment

Jiangling filed an administrative lawsuit with the Beijing Intellectual Property Court against the invalidation decision. After hearing the case, the Beijing Intellectual Property Court concluded

that the visual differences formed by the combination of the design features distinguishing the design patent from the comparative design had a significant impact on the overall appearance of the SUV, and thus the design patent was significantly different from the comparative design. The invalidation decision made the design patent Reexamination Board was revoked.

In particular, in the first-instance judgment, although it used the same judgment method and the same judgment principle with the invalidation decision and agreed with the invalidation decision regarding the conclusions of the similarities and differences between the design patent and the comparative design, it came to an opposite conclusion regarding the influence of the similarities and differences on the overall visual effect. The first-instance judgment points out that although the body proportion of the design patent and the comparative design is basically the same, the side outlines, the inclination angle of the columns, the contour of the window and the proportion of division are basically the same, and the front and rear outlines and the mutual positions of the main components are basically the same, the design patent differs from the comparative design in the front light, air intake grille, elongated air inlet, fog light, through slot, auxiliary air inlet, inverted U-shaped guard, rear light, decorative board, the license plate area, etc., and the combination of those differences forms a visual difference which has a significant influence on the overall appearance of the SUV, which is enough for a normal consumer to distinguish the design patent from the comparative design in overall visual effect.

In other words, the first instance judgment held that, compared with the similarities shared by the design patent and the comparative design, the differences between them has a significant impact on the overall visual effect of the design patent and the comparative design, which makes the design patent be significantly different from the comparative design.

IV. Second Instance Judgment

In the second instance judgment made by the Beijing Higher People's Court, it explains how

to define the knowledge level and cognitive ability of a normal consumer, how to determine the influence of the state of design space, and how to apply the method of overall observation and comprehensive judgment to determine whether there is a significant difference. The second instance judgment concludes that the design patent is not significantly different from the comparative design.

In particular, the second instance judgment differs from the first instance judgment in determining the ability level of a normal consumer. It believes that, although a normal consumer's cognitive ability is not as same as a professional designer or an expert, at least he knows common designs and conventional design knowledge of the patented product and pays attention to the development of the product." As such, the second instance judgment further clarifies that a normal consumer in this case should know the product structure of a car and the function and characteristics of main components of the car, and also knows that the three-dimensional shape, the proportion and positional relationship of the components as well as the shape and layout of the body surface decorative parts have different degrees of influence on the overall visual effect.

The second instance judgment also believes that, the influence of individual sides of the car body on the overall visual effect shall be considered and weighed based on the type of vehicle to which the patented product belongs, based on the division of design features and the comparison of corresponding features of the design patent and the comparative design, in combination with the design space and the state of the prior designs, rather than merely based on the design order and the difficulty level.

In addition, the second-instance judgment also explains how to judge the weight of specific design features on the overall visual effect. The weights of the individual design features in the overall visual effect shall be considered on the basis of an normal consumer's perception of the design space, in combination with the position of the corresponding design features in the overall design, whether it is easy for a normal consumer to observe, the frequency of the design features appearing in the prior designs and whether the design features are subject to functional,

aesthetic or technical constraints. In a specific case, when considering the weight of the influence of a design feature on the overall visual effect of the design, it should be determined on the basis of the overall appearance of the design and on the basis of the comments, the evidences and the reasoning of all parties.

The second-instance judgment supports the invalidation decision in determining whether the design patent is significantly different from the comparative design. It believes that the first instance judgment does not specifically analyze the influence of the similarities shared by the design patent and the comparative design on the overall visual effect. The second instance judgment points out that the suspension roof design feature of the comparative design is a unique and distinctive feature; the integrated design of the shell-shaped hood, the front light and the closely positioned grille used in the comparative design are easy to attract the attention of a normal consumer when viewed from the front; the side decorative strip on the front fender of the comparative design constitutes a unique design feature, and the English letter mark on the hood is not commonly used, and the shape of the mouth of the exhaust pipe is not a functional design feature, but produces an aesthetic visual effect.

As for the differences, the second instance judgment concludes that those design features either are conventional or cannot be easily observed by a normal consumer, and thus have little effect on the overall visual effect. Moreover, according to the evidences submitted by Land Rover, it can be proved that the distinguishing design features of the patent, including the metal strip on the air intake grille, the fog lamp and the shape of the through slot for setting the fog lamp, the auxiliary air inlet and the inverted U-shaped guard plate arranged below the through slot, are all disclosed by the prior art. Therefore, those design features do not have a significant influence on the overall visual effect.

The second instance judgment gives a detailed analysis of the influence of the similarities and the differences on the overall visual effect. It points out that, since there is a broad design space for the three-dimensional shape of the body of the SUV involved and the layout of main decorative parts, the similarities

between the design patent and the comparative design, especially the similarities on the side and front of the body of the car, have the greatest influence on the overall visual effect, and the differences cannot be easily noticed by a normal consumer and have less impact on the overall visual effect. Although the main differences between the design patent and the comparative design on the front and rear faces of the body of the car make somewhat difference on the visual effect, they contributes much less to the overall visual effect because most distinguishing differences have been disclosed or taught by the prior designs. Accordingly, when evaluating the overall visual effect of all the design features of the SUV observed as a whole, the visual difference brought by the feature differences on the front and rear faces of the car contributes much less than the visual similarity brought by the feature similarities. Therefore, the second instance judgment concludes that the difference between the design patent and the comparative design is not enough for producing "significant difference".

V. Summary

It can be seen from this case that, in practice, when judging whether there is a significant difference between a design patent and a prior design or the combination of prior design features, all the similarities and the differences between the design patent and the comparative design shall be analyzed and evaluated comprehensively by a normal consumer, considering the state of prior designs as an objective reference and considering all the factors affecting the overall visual effect of a design.

An improvement design is not only required to be a new design, but also is required to be innovative enough so that the differences between the design and the comparative design can make the design be significantly different from the comparative design.

The unique design features, no matter shared by the design patent and the comparative design or distinguishing the design patent from the comparative design, generally have more significant influence on the visual effect. If the differences between the design patent and the

comparative design are conventional or have been disclosed by prior designs, it generally does not have a significant influence on the visual effect.

A normal consumer in the context of design has certain cognitive ability. He has common knowledge of the designs and design methods commonly used in the patented product and pays attention to the development of the product. Therefore, a normal consumer usually does not

notice the conventional design features used in the prior designs.

In general, a broader design space makes a normal consumer be less likely to notice the differences between designs while a narrower design space makes a normal consumer be more likely to notice the differences between designs.

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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Ms. Nie is a patent attorney at Lung Tin and the head of Quality Control Department. She is very experienced in practicing patent law and very familiar with regulatory matters. Ms. Nie focuses on patent prosecution and counseling, patent reexamination, patent validity and litigation issues of a wide range of electrical and mechanical technologies.

She has started her profession as a patent attorney since 2004, and represented clients in many patent invalidation cases and patent litigation cases, including a lot of Fortune 500 enterprises and emerging businesses in various industries and technologies.