

NEWSLETTER

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QUARTERLY

PANAWELL & PARTNERS LLC



Cover: Interior of office block where Panawell locates

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Panawell & Partners, LLC (Panawell), founded in 2003, is an IP boutique firm licensed by the State Intellectual Property Office (SIPO) and the State Administration for Industry and Commerce (SAIC) of the PRC to provide both domestic and overseas clients with full spectrum of services in all fields of intellectual property rights (IPR).

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PPH between SIPO and EGYPO Commenced on July 1

According to the notice dated June 26, 2017 from the Staten Intellectual Property Office of China, the Patent Prosecution Highway (PPH) pilot program with Egyptian Patent Office commenced on July 1, 2017 for duration of two years and will end on June 30, 2019. The pilot period may be extended if necessary until the SIPO and EGYPO receive sufficient number of PPH requests to adequately assess the feasibility of PPH program.

By now SIPO has started PPH program with 21 countries: Japan, USA, Germany, Russia, Finland, Denmark, Mexico, Austria, Korea, Poland, Canada, Singapore, Portugal, Spain, IP5 (including the European Patent Office), United Kingdom, Sweden, Iceland, Israel, Hungary, and Egypt.

(Source: official website of SIPO)

SIPO Relaxing Box VIII Requirement under PCT-PPH

Under the PPH requirements of State Intellectual Property Office of China so far, “in case any observation is described in Box VIII of WO/ISA, WO/IPEA or IPER which forms the basis of a PCT-PPH request, the application will not be eligible for participating in PCT-PPH pilot program”. However, SIPO has decided to relax this requirement, namely, from July 1, 2017, where there is observation described in Box VIII of WO/ISA, WO/IPEA or IPER, the application will be eligible for participating in PCT-PPH pilot program only under the following

circumstances: (1) the observation in Box VIII does not involve the claims which forms basis of the PCT-PPH request, or (2) the observation in Box VIII only involves defects in the description or drawings.

Under the aforesaid two circumstances, provided that the other PPH requirements are met, the applicant is allowed to file a PPH request with SIPO, and provide explanations regarding Box VIII observations in Item 3 “Description of Special Items”, Section E “Notes” of the Request for Participation in the Patent Prosecution Highway Pilot Program.

(Source: official website of SIPO)

Report on Global Innovation Index 2017 Released

On June 15, the World Intellectual Property Office (WIPO), the Cornell University and INSEAD International Business School jointly released the Report on Global Innovation Index (GII) 2017, in which China, rising up three ratings and in the top 25 nations, is now ranked in the 22nd, which represents another remarkable progress China has made after it was listed in the GI top 25 as the first middle-income economy. China is also the only middle-income nation that has been constantly shortening its gap with the developed economies in terms of innovation.

According to the GI 2017, the ranking of China's IP-related indexes has been on a steady upswing. China is on top of all nations in terms of the numbers of applications filed by its nationals for

patent, for utility model and for industrial design. The number of PCT international patent filings/one billion purchasing power parity US\$ GDP (in the fourth place, up 4 ratings), number of trademark filings by Chinese nationals/one billion purchasing power parity US\$ GDP (in the fourth place, and up 4 ratings), and other indexes have kept on rising.

The GII, released annually since 2007 for evaluating innovation capability and balancing results of 127 economics, has become one of the major benchmark tools for global policy makers and business executives. The top 15 nations listed in the GII 2017 are Switzerland, Sweden, the Netherlands, United States of America, United Kingdom, Denmark, Singapore, Finland, Germany, Ireland, Republic of Korea, Luxembourg, Iceland, Japan and France.

(Source: official website of WIPO)

China Registered Copyright over Two Million in 2016

The National Copyright Administration (NCA) has recently released a report on the nation-wide copyright registration in 2016. The total number of registered copyright in China has reached a record of more than two million in 2016, of which nearly 1.6 million are registered works, increasing by 18.7% from 2015.

(Source: Beijing Patent Attorneys Association's Monthly Newsletter)

SIPO Offering Public Patent Documentation Subscription Alert Service

With the convention of the Tenth Meeting of IP5 Heads of Offices, the China and Global Patent Examination Information Inquiry System has formally offered the public patent documentation subscription alert service, which is jointly offered by the State Intellectual Property Office and European Patent Office.

To date, public users may log in the China and Global Patent Examination Information Inquiry System (cpquery.sipo.gov.cn) on the website of SIPO, and enter the documentation information subscription webpage by clicking, in the query finding listings, the subscription key after the Chinese or European patent application numbers. Having done the subscription, users can, using the browsers or any other subscription reader, easily and in a timely manner obtain the alert of updates of the documentation information of corresponding Chinese and European patent applications, and read the update listings and updated documents.

The documentation information subscription alert project is a project of priority the five major Offices now conduct. At the Offices' global documentation work meeting held in 2015, they reached a consensus on the "alert function", and, with the EPO taking the lead, offer users notices on changes in the documentation information of counterpart applications. In March 2017, work on development of the project was done for the part in

the SIPO, and the relevant services were tested and adjusted in the testing carried out in collaboration with the EPO through full communication and exchange, thus having ensured the completion of the project on time, improved the service provision to the public, and extended the SIPO's external influence.

(Source: official website of SIPO)

SIPO Updated Fee-Charging Items

SIPO has started to implement new fee charging standards from July 1, 2017, which have only changed the official fees for obtaining proof documents and documentation copies, and for second-time extension of time limit. For the former, RMB 30 yuan is charged for one copy, and the fee for the latter has increased from RMB 1,200 to 2,000 yuan. In response to the changed standards of fees, SIPO has revised the forms of Request for Proof Document, Request for Documentation Copy, and Request for Inquiry and Reproduction of Patent Files accordingly.

(Source: official website of SIPO)

Measures for Oral Hearings in Trademark Review and Adjudication Cases Announced

To further promote the reform to offer convenient trademark review and adjudication, and standardize procedures for oral hearing in review

and adjudication cases, the State Administration for Industry and Commerce (SAIC) has formulated the Measures for Oral Hearings in Trademark Review and Adjudication Cases according to the Chinese trademark rules, and has promulgated the Measures herewith for implementation starting from May 4, 2017.

Oral hearing in review and adjudication cases, an adjudicative model of hearing different from that conducted in paper work form, is a supplementation of the latter. A trademark review and adjudication case is usually heard in paper work form, but for the need to ascertain involved facts, the Trademark Review and Adjudication Board (TRAB) may decide, at the request of an interested party or *ex officio*, to hold an oral hearing in a review and adjudication case. The TRAB presides over an oral hearing, and the interested parties cross-examine evidence on site to identify the force thereof to help ascertain the facts in a case.

The oral hearing procedure can be initiated in two ways: by the TRAB *ex officio* as needed in a case; and at the request of an interested party. In latter case, the interested party should pay attention to these four points: 1) the party requesting an oral hearing to be held shall be an interested party in the related case; 2) the request for the purpose shall be made in writing; 3) the request shall be made on the ground of doubt about related evidence and for the believed necessity for cross-examination with specific explanations stated; and

4) the request should be made within the stipulated time limit.

To attend an oral hearing, interested parties should send back the receipt to the TRAB within ten days from receipt of the notification of oral hearing, and follow the procedure and discipline of the oral hearing. Those from each party to attend an oral hearing should not exceed two people, their respective appointed attorneys included.

(Source: official website of TRAB)

Reform of Trademark Registration Administration Now on Fast Track

Up to May 2017, 76 windows had opened officially for receiving trademark registration applications in 27 provinces and municipalities in China. All the 30 Industry and Commerce Administration and Market Supervision Bureaus in 24 provinces and municipalities have set up their receiving counters for the applications for registered trademark pledge recordal, at which enterprises and businesses may go through the formalities for trademark pledge for financing.

Beside increasing receiving windows, another effective way to increase the channel for trademark registration is online registration. On March 10, online registration, which was available to trademark registration agencies only, was open to applicants to make it possible for them to file applications, search, browse gazettes, and pay fees all online. To date, there are four approaches

available for filing applications for trademark registration: online, at the trademark registration application receiving counters, by appointing a trademark agency, and at the registration application receiving windows at the Trademark Office.

Meanwhile, the registration procedure has been streamlined as it is shown that the time for issuing a notification on acceptance of trademark registration application has been shortened from six to less than three months; trademark registration proofs are issued on site, rather than in three months, with no fees charged; from April 1, 2017, the official fees for trademark registration application has dropped from RMB 600 to 300 yuan; and also all other fees decreased by 50%.

With the deepening of the trademark registration reform for convenient registration, the number of domestic trademark registration filings is on a drastic rise. According to the data available, by the end of March 2017, the total number of trademark filings, in China, reached 22.931 million, that of registered trademarks 15.145 million, and that of valid registered trademarks 12.937 million.

For the first quarter of 2017, the number of trademark registration applications had reached 837,000, of which 741,000 were filed online, accounting for 88.6% and increasing by 14% that of the same period in the previous year.

With the trademarked brands development elevating to be a part of the national strategy,

Chinese businesses have constantly become aware of registering their trademarks overseas. There is a tendency of annual increase in the number of applications filed by Chinese applicants for international registration of trademarks under the Madrid Agreement. In 2016, 3,200 such applications were filed, and China's ranking in the Madrid system had jumped from the eighth to fourth place.

(Source: Legal Daily & official website of Trademark Office)

"non bis in idem" Doctrine Determined in the "tian shun de" Trademark Case

In the Beijing Higher People's Court's Administrative Judgment No. Jingxingzhong 503/2017, it is stated as follows concerning the case involving right determination in relation to the invalidation of the “天顺德” (pronounced as “tian shun de” in Chinese) Trademark (No. 5716549):

Article 42 of the Trademark Law as of 2001 provides that “where a trademark, before its being approved for registration, has been the subject matter of opposition and decision, no application shall be filed for review on the basis of the same facts and grounds”. This provision was deleted in the Trademark Law as of 2013, in which no provision was set forth on the matter of “non bis in idem” or “res adjudicata res judicata”.

Rule 62 of the Implementation Regulations of Trademark Law as of 2014 provided that “where an

application for trademark review is withdrawn, the applicant shall not file an application for review of the trademark again on the basis of the same facts and grounds”; “where the TRAB has already made an adjudication or decision on the application for trademark review, no person shall file an application for review again on the basis of the same facts and grounds, with the exception to application filed with the TRAB for invalidation of a registered trademark, the registration of which has been approved in the review proceedings against a decision to disapprove the registration”.

Rule 62 of the Implementation Regulations of Trademark Law as of 2014 only provides that with regard to a trademark in suit that has been heard by the TRAB, except for filing request for invalidation of trademark registered with approval in the reexamination proceedings on disapproval for registration, all other matters shall follow the “non bis in idem” doctrine. Comparison of this Rule with Article 42 of the Trademark Law as of 2001 shows, the “non bis in idem” doctrine applied in a more limited scope. It does not violate the “non bis in idem” doctrine if an applicant requests again for review and adjudication of a trademark in suit that was not heard by the TRAB. In the case, the appellant Qinghai Huzhu Qingke Liquor Co., Ltd. filed its opposition application under Article 9, paragraph one, and Article 31 of the Trademark Law as of 2001 and Article 4 of General Principles of Civil Law, and requested for invalidation under Articles 13, 31 and 41 of Trademark Law as of 2001, in which Articles 13 and 41 of Trademark Law as of

2001 were new grounds for the request for invalidation, with evidence that was not submitted in the trademark opposition proceedings, such as the documents of reply and approval of well-known trademark advertising agreement concluded after 2010, sales contracts, advertising photos, and honor-awarding certificates. The Beijing Higher People's Court concluded that where the trademark in suit had not been heard by the TRAB and the facts and grounds in relation to the invalidation request were not the same as those on which the trademark opposition application was filed, TRAB had not violated the "non bis in idem" doctrine in accepting and hearing the invalidation request filed by the appellant Qinghai Huzhu Qingke Liquor Co., Ltd.

The main idea of the Court's decision made in the case lies in that as a comparison of Rule 62 of the Implementation Regulations of Trademark Law as of 2014 with Article 42 of the Trademark Law as of 2001 shows, the "non bis in idem" doctrine applied in a more limited scope. It does not violate the "non bis in idem" doctrine if an applicant requests again for review and adjudication of a trademark in suit that was not heard by the TRAB; besides, the various Articles of the Trademark Law have their own intrinsic value, which should be determined in specific cases according to the significance in formulating each of them. All Articles shall not apply in an improper larger scope, otherwise it will ruin the certainty and stability of the value of the Articles within the system of the Trademark Law.

(Source: website of IPHOUSE)

Examination of Supplemented Experiment Data

Author: Mr. Bo LI, Partner and Patent Attorney of Panawell & Partners, LLC

On February 28, 2017, the State Intellectual Property Office (SIPO) promulgated the newly-revised Guidelines for Patent Examination, announcing that the revised Guidelines for Patent Examination would be going into effect on April 1, 2017. That is, the revised Guidelines for Patent Examination apply to new patent applications accepted and pending after said date as the standards for examination of all applications within the examination phase.

The amendments made in the newly revised Guidelines for Patent Examination are related to many hot issues of great interest in the industry, such as examination of the subject matter of patentability relating to business models and computer programs, examination of experiment data supplemented after the date of filing, and ways of amendment made to patent applications during the invalidation proceedings, which fully embodies the way of thinking in the effort of the Chinese patent administrative authorities to strive to more quickly integrate its examination with the new trend of technological progress and developments of innovation by way of revising its system of rules and regulations in a timely manner, and amplifying its patent examination benchmarks or principles, in an attempt to realize the objective of the patent law to encourage innovations and

creations.

It is well known that in the examination of applications for patents for invention and utility model, claimed technical solutions should be described in such a manner as to enable persons skilled in the art to work the technical solutions of the inventions and utility models, resolve their technical problems, and produce expected technical effect. With regard to inventions-creations made in the fields of most experimental sciences and technologies, e.g. those in the fields of pharmaceuticals, chemistry, biology, and materials, it very much depends on corresponding experiment data for proof to determine whether a technical solution is capable of resolving its technical problem and producing expected technical effect (here the so-called "experiment data", in the broad sense, cover data, tables and photographs of experimental raw materials, methods and ways used to show the experiment results, and the related discussions). Detachment from experiment data often makes it impossible for the technical effect of a technical solution to be determined, and makes whether the technical problem is resolved unknown. For this reason, experiment data are crucial in the examination of inventions-creations of this type.

In the course of patent examination, however, when experiment data in a patent application as filed are not comprehensive or sufficient, or their contents are defective, such that the examiner disagree, to the prospect of granting the patent,

whether the applicant can rectify the defects in the application by way of supplementing experiment data in the course of responding to an office action becomes an issue drawing pressing attention from all applicants, inventors and patent attorneys. This is also a controversial issue in the patent community. Making use of the amendment of Guidelines for Patent Examination this time, the Chinese patent administrative authorities attempt to explicate the principles underlying the examination of supplemented experiment data.

Amendments made to the Guidelines for Patent Examination in relation to supplemented experiment data are mainly embodied in the addition of the provision of section 3.5 "Concerning Supplemented Experiment Data" to Chapter 10 of Part II "Provisions Concerning Examination of Invention Patent Applications in the Field of Chemistry", as shown below:

"Whether the description is sufficiently disclosed is determined according to the contents of the description and claims as filed. The examiner shall examine experiment data supplemented after the date of filing. The technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application."

As the comparison with the relevant contents of the last version of Guidelines for Patent Examination shows, the original sentence "embodiments and experiment data supplemented after the date of filing shall not be considered" has been replaced

by "the examiner shall examine experiment data supplemented after the date of filing", and "the technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application". So far, the provisions of the Guidelines for Patent Examination in relation to supplemented experiment data have undergone the changes from the provision that "supplemented experiment data can only be referred to by examiners in their patentability examination" in the 1993 version of the Guidelines for Patent Examination, to the provision that "supplemented experiment data can only be referred to by examiners in their novelty, inventiveness and practical applicability examination" in the 2001 version, then to deletion of the above two provisions in the 2006 and 2010 versions, and eventually to the provision that "experiment data supplemented after the date of filing shall be examined", and "the technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application" in the 2017 version, which shows the intended loosening of the restriction in the examination of supplemented experiment data. The present revision of the Guidelines for Patent Examination is, at least, a good news to applicants seeking patent protection as examiners cannot refuse all experiment data from them on the ground that the supplemented experiment data were not presented the patent applications as filed. Then, to go a step further,

does this new examination principle means that an applicant can strengthen his or its point or argument in making his or its observations by way of freely supplementing experiment data when responding to various defects as pointed out by examiners in the process of responding to OAs?

Obviously, the reality does not seem to be that bright to applicants. From the revisions made in the Guidelines for Patent Examination, it is not difficult to find that the SIPO has set two pre-conditions for examination of experiment data supplemented after the date of filing: 1) whether the description is sufficiently disclosed is determined according to the contents of the description and claims as filed; and 2) the technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application, which greatly limit the scope of application of supplemented experiment data.

Normally, experiment data in the description functions to prove that a related technical solution's capability of resolving a technical problem and producing expected technical effect. As discussed above, as for the facts that the description presents a specific technical solution, and the technical solution must depend on experiment data to prove it, experiment data are of great importance as to whether the technical solution has been sufficiently disclosed in the description, that is, whether the description has described the technical solution in such clear and

complete terms as to enable persons skilled in the art to carry it out. Only if experiment data is sufficient to prove that said technical solution can resolve the technical problem and produce the expected technical effect, is it shown that the technical solution can be carried out by persons skilled in the art according to the disclosure of the description. However, the revised Guidelines for Patent Examination once again emphasize that "whether the description is sufficiently disclosed is determined according to the contents of the description and claims as filed", that is, removing the possibility to rectify insufficient disclosure of the description by way of supplementing experiment data.

In addition, can supplemented experiment data be used to determine whether the claims are supported by the description, that is, in the examination according to the description? Only when the examiner is enabled by the experiment data presented in the embodiment to determine all the technical solution covered in a claim can, does he believed that all the technical solution can resolve the technical problem and produce the expected technical effect. However, the revised Guidelines for Patent Examination only include experiment data supplemented after the date of filing that should not considered under the former provisions in the scope of examination, with embodiments supplemented after the date of filing still excluded therefrom. Therefore, it will be impossible for supplemented experiment data to be determined as supplemented embodiments used to

determine that the claims or some technical solution of the claims are supported by the description.

The preceding provisions are concrete embodiments of the first-to-file system in the principles underlying the patent examination in China, that is, the patent examination aims at striking a balance of interests among the public at large and patentees. Any invention-creation made after the date of filing should not be unfairly taken up by a prior applicant to impair the interests of other applicants and the general public. If insufficiently disclosed technical solutions and those not supported by the description are patented with the help of supplemented experiment data, it is obviously not legally fair and just. This principle is consistent with the conclusions drawn in the Supreme People's Court's Administrative Ruling No. Zhixingzi 41/2012: "Any technical solution or technical effect that is not disclosed in the description should not be the basis on which the patent right is determined to meet the patentability standards. Experiment data supplemented after the date of filing are not what has been presented and disclosed in the patent application as filed. They are information not accessible to the public. If the experiment data is not the content of prior art of the application and is not known to the person skilled in the art before the date of filing of the patent application, then, it is contrary to the first-to-file principle and goes against the nature of the system of exchanging disclosure for the patent right to use experiment

data as the basis to determine that the technical solution can produce the technical effect, and it is unfair to the public to grant the patent on this basis. When a patent applicant or patentee intends to provide comparative experiment data to prove that the claimed technical solution has inventiveness relevant to the prior art, the precondition for accepting the experiment data must be the technical solution as presented in the application as filed".

To conclude, the scope of application of supplemented experiment data in the practice of examination has been confined in arguing for inventiveness, that is, an applicant may supplement experiment data to prove that his or its claimed technical solution has produced unexpected technical effect compared with the prior art, so as to prove that said technical solution possesses inventiveness. This being the case, however, based on the above principle, in the inventiveness examination, for supplemented experiment data to be accepted by the examiner, it is first required to determine whether the technical effect proved with the supplemented experiment data is what a person skilled in the art can derive from the disclosure of the patent application.

For years, diverse views exist around this determination^[1]. It is believed for a tolerant view that so long as some aspect of a technical effect is stated or mentioned in the application as filed, experiment data related to the effect of the kind as supplemented by the applicant should be accepted.

Another view holds that only a technical effect that is highlighted in the application as filed and that is conclusive is one that is clearly presented or stated, and only in this way is it possible to prevent applicant from listing all possible technical effects he or it has generally mentioned in the application filing phase in the application to seek interests he or it should not deserve. The more strict view is that only a technical effect that has been clearly stated and for which relevant experiment data given in the application as filed is the clearly stated technical effect. If application as filed does not offer experiment data to prove it, even if the technical effect is conclusively or decisively stated in the description, experiment data or effect embodiment an applicant provides after the date of filing or when responding to an OA should not be accepted to prove said technical effect.

The provision that "the description is sufficiently disclosed is determined according to the contents of the description and claims as filed" specifically embodies the principle of "the technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application". In other words, the precondition for accepting supplemented experiment data is to meet the first-to-file requirement. For this reason, when trying to supplement experiment data to prove the inventiveness of his or its patent application, the applicant should pay attention to the following:

First of all, care shall be exercised of the different

functions of supplemented experiment data and those presented in the description in patent examination, making it clear that the latter is the precondition, and the former supporting evidence. Second, special attention shall be paid to purpose of supplemented experiment data and the relationship between the technical effect proven therewith and the technical effect stated in the application to ascertain whether the matter proven by the supplemented experiment data and that by the contents and data in the application as filed are different or not, with the supplemented experiment data being considered only if the two are the same or consistent. Third, it shall be noted to consider the function of the person skilled in the art in the determination and the facts disclosed in the patent application as the basis in combination, without being confined to the literal or verbal expression of the patent application or the form of supplemented experiment data.

It is thus shown that by the provision of revised Guidelines for Patent Examination that "the technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application" is meant that a patent application is required to have presented the qualitative or quantitative technical information of the technical effect, or the person skilled in the art may derive the information from the contents of the application. As for most patent applications that require to supplement experiment data to prove their inventiveness, such technical information should

exist in the form of experiment data, including experiment data, tables and photographs. In other words, the revised Guidelines for Patent Examination adopt more stringent standards for examination of supplemented experiment data. As a matter of fact, with the requirement of such stringent standards, the supplemented experiment data is rather limited in scope of application. The conceivable circumstances are only where references lack relevant experiment data or experimental result in the description of some technical effect, or where the experiment data or experimental result different from the patent application are used, making it impossible to numerically compare the technical effect of the patent application with the same technical effect in the prior art, or where experiment data presented in the application to prove some technical effect are to be reinforced, put in more detail, or further analyzed.

Regarding the revision on the provision concerning supplemented experiment data, SIPO insists on the principle underlying the examination of supplemented experiment data of the former Guidelines for Patent Examination, and the revision has made clearer the specific ways of the former examination principles in the examination of supplemented experiment data, that is, having positively clarified the misunderstanding brought about by the wording of the former Guidelines for Patent Examination by clarifying that examiners should examine experiment data supplemented by applicants, and eradicate the erroneous practice

of denying, or refusing to accept, all such experiment data in all situations.

To probe into this consistent principle, we would try to study the following case^[2] to illustrate how examiners follow the examination principle in their practical examination. In the stage of reexamination of the Chinese patent invention application (200480013783.1), the reexamination requester submitted the comparative experiment data of the four amended specific claimed compounds with the closest prior art, including the Cmax and AUC experiment data. But the examiners determined, according to the technical information in the description of the application as filed, that it only had the broader Cmax, IC50 and EC50 data; hence only the end-value data of the Cmax data of the comparative experiment data from the reexamination requester were available in the application as filed, and the effects could only be compared between the claimed compounds and the proportional Cmax. However, the Cmax of the four compounds from the reexamination requester were not all included in the Cmax stated in the application as filed, nor was there evidence showing that the experiment data in the description as filed were general statement made on the basis of the experimental results of the four compounds submitted by the requester as the data basis. For this reason, there was no evidence showing that experimental testing was not done on the effect of invention of the four compounds related in the comparative experiment at the time of filing the application, the comparative experimental data

submitted during reexamination proceeding was not reinforcing evidence of the technical effect as stated in the application as filed, but should be determined as experimental data used to prove new technical effect. In the end, the Patent Reexamination Board upheld the decision on rejecting the patent application.

From this case we can see that the examiners have fully followed the above first-to-file principle in the examination with regard to the provision that "the technical effect as proved with the supplemented experiment data shall be what a person skilled in the art can derive from the disclosure of the patent application", that is, the technical effect proven by supplemented experiment data should not only be explained, but also proven in the application as filed to enable the person skilled in the art to identify the technical effect. Thus, for inventions made in the fields of experimental sciences and technologies, experimental results, including experiment data, which are indispensable parts of patent applications, serve as the precondition for applicants to supplement experiment data in relation to the same technical effect in subsequent examination stages. Except for common knowledge based on the prior art and existing in the technical field it belongs to, it is obviously rare for any verbal description of some technical effect to be clear enough to enable the person skilled in the art to identify.

Furthermore, the technical effect an examiner recognizes is specific and clear, and there is risk

for supplemented experiment data in connection with any similar or generally stated technical effect in application as filed to be refused. For example, in the above-discussed case, the AUC was refused as it was viewed as different from the Cmax technical effect, and was not accepted by the examiner as it was all used to be technical effect proving the good absorbability of the active compounds. Also importantly, description of supplemented experiment data should not contradict with the relevant statement in the application as filed, or it is quite likely to be refused.

Under the guidance of policies of the Chinese Government to speed up the construction of a strong IP nation and its strategy for speeding up innovation-driven development, the number of patents issued in China has been increasing at a surprisingly fast rate, and meanwhile, the patent administrative authorities have been increasingly raising the examination standards in its practice of patent examination to improve the quality of patents granted. To this end, it is a tendency for the formulated examination principles to protect more valuable technological innovations, also with concurrent attention paid to the public interests, as it is clearly seen in the revised provisions of the Guidelines for Patent Examination in relation to supplemented experiment data. To seek patent protection in China, this author would like to advise applicants to sufficiently explain and state all the experiment results, such as evidence of data, tables and/or photographs, necessary to prove all the technical effects of technical solution claimed

in a patent application so as to enable the person skilled in the art, when reading them, to be certain that the claimed technical solution can produce the technical effects, to avoid all avoidable losses caused by all sorts of restrictions on supplemented experiment data in the phase of examination. Besides, such technical effects should also be described in specific and clear terms.

Of course, as regards inventions made in many technical fields, to file an application as early as possible to seize the opportunity, the applicant prepares his application without detailed or complete experiment data included. Given the above revised provisions of the Guidelines for Patent Examination, applicants should, when preparing their applications, at least, incorporate the initial experiment data that can prove the specific technical effects of their technical solutions, and try to supplement detailed and complete experiment data as supporting evidence of the above experiment data and technical information in an effort to meet the goal to show that the technical solutions claimed in their patent applications have produced the technical effects and resolved the technical problems.

References

[1] Yue LI, et al., *the Patent Reexamination Board's research project of 2014, "Determination of Experiment Data and Inventiveness"*, Pp. 19-20.

[2] Xiaqi PENG, et al, *Examination Practice Newsletter, Issue 10, Vol. 22, 2016, Pp. 38-45.*

I. Reservation on PCT Rule 20.8(b): Incorporation by Reference

Where a PCT international application claims the priority of an earlier application, if any element or part is missing when the applicant files the international application, it may be incorporated by reference of the corresponding part in the earlier application, and the original international application date will be retained. The State Intellectual Property Office of China makes reservation on PCT Rule 20.8(b) concerning incorporation by reference; as a result, SIPO accepts incorporation by reference as a PCT receiving office, but does not accept it as a PCT designated office.

With regard to an international application filed with SIPO, the applicant is allowed to file a request for incorporation by reference within two months from the international application date, or within two months after SIPO issues a notice to invite the applicant to supplement the missing part.

As for the Chinese national phase of an international application that contains any element or part incorporated by reference, the applicant shall choose either 1) to keep the contents incorporated by reference, or 2) to retain the application date. To choose option 1), the applicant shall make corresponding statement in the request form at the time of going through formalities for entering Chinese national phase, to re-determine the application date for China; nevertheless, it shall be also noted that if the newly determined application

date exceeds 12 months from priority date, the priority will be deemed not to have been claimed. To choose option 2), the applicant shall delete the contents incorporated by reference at his own initiative or at the request of SIPO.

II. Reservation on PCT Rule 49ter: Priority Restoration

Where a PCT international application is filed more than 12 months later than the priority date, the applicant may file a request to restore priority right. The State Intellectual Property Office of China makes reservation on PCT Rule 49ter concerning priority restoration; as a result, SIPO accepts priority restoration as a PCT receiving office, but does not accept it as a PCT designated office.

With regard to an international application filed with SIPO after expiration of the 12-month deadline, the applicant can file a request for restoration of priority within 14 months from the priority date, accompanied by payment of official fee CNY1000. The acceptable reason for such restoration before SIPO is that the failure to file the international application within the priority period 1) occurred in spite of due care required by the circumstances having been taken, or 2) was unintentional.

As for the Chinese national phase of an international application that went through priority restoration during international phase, the priority will be deemed not to have been claimed by SIPO, except for the reason of force majeure.

Panawell Attended 139th INTA Annual Meeting

In May 2017, Mr. Richard Wang and Ms. Michelle Tian attended the 139th International Trademark Association (INTA) Annual Meeting in Barcelona, Spain, and visited some clients of the firm in Portugal and Spain before and after the meeting.



Panawell Annual Spring Outing

The firm went to the ancient capital city Xi'an for spring outing from May 11 to 15, visiting various attractions including Shanxi History Museum, Great Wild Goose Pagoda, Mount Hua, Xi'an Circumvallation, Huaqing Hot Spring, Li Mountains, and Emperor Qingshihuang's Mausoleum Site.



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