

JR: China

China to adopt provisions on contributory infringement

Jiancheng Jiang

Pekung IP

In legal terms, contributory infringement of a patent right means an act of deliberately inducing or encouraging a third party to infringe a patent, while the act as such does not directly infringe the patent.

In some countries such as the US, Germany and the UK, legal liability of contributory infringement of a patent (as such or in similar terms) is explicitly provided for in the law. However, there are not any such provisions in the current Chinese patent law. Moreover, the concept of contributory infringement is missing even in the general framework of civil law.

A question arises in the practice of patent enforcement, which is how the Chinese courts handle cases involving contributory infringement. Specifically, what is the law that judges apply to such cases?

The fact is that Chinese courts have been trying to apply the legal provisions on “joint infringement”, a concept in the existing legal framework that is closest to contributory infringement. This concept is found only in general civil law but not specifically in the patent law, although it is also found in the “judicial interpretations” of the patent law, a directive enacted by the Supreme People’s Court and applied by courts at various levels handling patent cases.

However, difficulties in the application of such laws are encountered from time to time. The reason is that, according to the law, a finding of joint infringement requires collaboration or complot between the doers, while in some cases there is not any such collaboration or complot, but the act still apparently causes damage to the patent owner.

For instance, one may provide a third party with important raw materials or parts that are specially intended to be used for making a patented product but without any conspiracy with that party on infringing the patent.

In relatively rare cases, the infringer may even provide the materials or parts to a party who resides outside of China so that the direct practice of the patent does not happen in China. In such cases, the provisions on joint infringement do not seem to be appropriate laws to apply.

China is currently in the process of amending its patent law for the fourth time in history. According to the State Intellectual Property Office, which is responsible for providing the draft of the amendment, one of the main purposes of the amendment is to further enhance patent protection.

In the latest version of the draft, it has been proposed that provisions on contributory infringement be introduced into the law. The proposal is believed to draw on the US law and is considered a sign of the government's strong will to further strengthen protection of patent rights.

With these provisions, a person may be duly charged with patent infringement if he or she causes it to happen by inducing or encouraging a third party to infringe a patent right and even without any conspiracy with that party.

Another change that would result is that those who conduct contributory infringement could be sued solely or independently of the party who conducts direct infringement, while under the current legal framework they are often sued mandatorily together with the direct infringer.

The draft amendment of the patent law is only a proposal at the moment and is yet to become formal law. It is believed that it will be submitted in one or two years to the People's Congress, China's legislative authority.

Currently, it is still controversial within Chinese IP circles whether it is necessary or appropriate to have these provisions in the patent law, especially given the existing laws on joint infringement within the framework of the civil law.

Therefore, we are yet to see if the proposed provisions on contributory infringement will eventually be included in the law.

JianchengJiang is managing partner at Peksung IP. He can be contacted at:
jjiancheng@peksung.com

This article first appeared in WIPR November/December issue, published by Newton Media Ltd.