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BYD v. the Patent Reexamination Board et al.

Citation: The Beijing Higher People's Court's Administrative Judgment No. Gaoxingzhongzi 232/2005

Date of judgment: November 18, 2005

Procedural history

The BYD sued, in the Beijing No. 1 Intermediate People's Court, the Patent Reexamination Board (PRB) out of dissatisfaction with its invalidation decision No. 6147. The invalidation decision was upheld in the first-instance judgment, and the BYD appealed to the Beijing Higher People's Court.

Issue

Whether the prior art of different use might be used to assess the inventiveness of a utility model?

Facts

The BYD was the patentee of the utility model patent (ZL00227259.8), claim 1 of which went like this:

“A component for protecting the circuit of sets of rechargeable batteries, wherein said component comprises a metal wire and two thin metal sheets, being respectively welded to the two ends of said metal wire.”

The Huizhou Chaoba Battery Co., Ltd. (Chaoba) filed a request for invalidation of said patent on the ground that said patent did not possess inventiveness. Of the 44 pieces of evidence from Chaoba, Appendix 8 was the US patent (US4612529), wherein the fuse comprised the first terminal, second terminal, insulated device, fusible conductor and casing. The first and second terminals

were flat, and might be made of brass alloy, such as phosphate-brass, beryllium-brass and other alloys of electric conductive material. The fusible conductor might be a line, a layer of thick film, thin film or conductor in other shapes commonly seen in the art. In Appendix 8 was also described the process of welding the fusible conductor with the first and second terminals.

The PRB held that the circuit protection used in the field of limited space application covered in Appendix 8 fell within the field of technology similar to the component for protecting the circuit of sets of rechargeable batteries of the utility model patent in suit. A person of skill in the art might deduce, according to the common-sense knowledge, that the fusible conductor in Appendix 8 should be a metal material of low fusion point, lower than the brass alloy used to make the terminal. Thus, the fuse in Appendix 8 was composed of the fusible conductor with two metal terminals in the shape of plate and of the thin and long low fusion point metal being welded between said terminals; the circuit protection component used in the printed circuit board covered in the Appendix 8 already included each and every technical feature of the component for protecting the circuit in claim 1. While it was not specified in Appendix 8 that the micro-fuse might be used in the set of rechargeable batteries, it was made clear therein the field of application of the micro-fuse in the limited space, thus making it possible for a person of skill in the art to apply the micro fuse to the set of rechargeable batteries without the need to overcome the technical obstacle thereto. For that reason, claim 1 did not have inventiveness.

The first-instance court took the view that the utility model in suit was different from Appendix 8 in the place of application, but both functioned to protect electric circuit, so both were circuit protection components; hence they were in the similar field of technology. Absence of the insulator and the casing did not bring any unexpected technical effect to claim 1. Besides, the title of the subject matter of claim 1 “a component for protecting the circuit of sets of rechargeable batteries” did not change the structure of the circuit protection component. A person of skill in the art was able to apply the fuse in Appendix 8 to a set of rechargeable batteries without undue burden. Accordingly, the court decided to have upheld the PRB’s invalidation decision No. 6147.

The BYD argued in its appeal that Appendix 8 was not in the field of technology similar to that of the utility model in suit, so it should not be used to assess the inventiveness of said utility model.

Besides, the two were different in technical problem they were intended to solve and the technical solutions and technical effects were obviously different; hence the utility model in suit had its own substantive feature and represented progress.

Rule of law

Article 22, paragraph three, of the Patent Law *Any invention or utility model for which patent right may be granted must possess novelty, inventiveness and practical applicability. ... Inventiveness means that, as compared with the technology existing before the date of filing, the invention has prominent substantive features and represents notable progress and that the utility model has substantive features and represents progress.*

Reasoning

While the patent in suit and Appendix 8 differed in the field of technology, both being circuit protection components, they were identical in object of invention and in technical function. The technical principle and function of them were to prevent extraordinarily large electric current from going through the circuit, so they were in the identical or similar art.

The circuit protection component in Appendix 8 had already included each and every structural technical features of the technical solution of claim 1. The two were different only in that Appendix 8 did not disclose that the circuit protection component was applicable to sets of rechargeable batteries. It did not require any undue burden for a person of ordinary skill in the art to apply the circuit protection component in Appendix 8 to sets of rechargeable batteries; hence, claim 1 did not have inventiveness.

Holding

While the utility model in suit was different from the technology in Appendix 8, the technical principle and function of them were in the identical or similar art. It did not require any undue burden to apply the circuit protection component in Appendix 8 to sets of rechargeable batteries. Accordingly, claim 1 did not have inventiveness.