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Jining Pressureless Boiler Plant v. Patent Reexamination Board et al.

Citation: The Supreme People's Court's Administrative Judgment No. Xingtizi 4/2007
Date of judgment: July 14, 2008

Procedural history

On December 22, 2000, the Jining Pressureless Boiler Plant (PBP) filed, with the Patent Reexamination Board (PRB), a request for invalidation of Shu Xuezhang's patent for the invention "a high-efficiency energy-saving back fire boiler with double-layer grates" (92106401.2) on the ground of double patenting. Used as the evidence was the patent for utility model (CN2097376U), also held by Shu Xuezhang. The PRB made a decision to have upheld the validity of the patent on March 26, 2001. The Beijing No.1 Intermediate People's Court affirmed said decision in its trial of first instance. The Beijing Higher People's Court vacated the judgment by the Beijing No.1 Intermediate People's Court and the decision by the PRB. Shu Xuezhang petitioned the Beijing Higher People's Court for retrial on May 13, 2002. The PRB requested the Supreme People's Court for retrial of the case on August 2, 2002. The case was then transferred to the Beijing Higher People's Court for reexamination. The Beijing Higher People's Court rejected these two requests for retrial. Shu Xuezhang and the PRB again petitioned the Supreme People's Court for retrial respectively on June 1, 2004 and March 29, 2006.

Issue

1. Whether a patent for invention and a patent for utility model different in extent of protection are "identical inventions" or not?

2. How to interpret and apply double patenting bar under the Patent Law where one applicant filed

successively an application for a patent for utility model and one for patent for invention relating to the "identical invention-creation"?

Facts

The application for the invention patent in suit was filed on February 22, 1992, the patent certificate issued on August 14, 1999, and the grant announced on October 13, 1999. The granted claim was: "a vertical or horizontal back fire boiler with double-layer, planar, wave-shaped grates, wherein an upper layer of water pipe back fire grate is arranged in a planar wave shape".

The application for the utility model patent (CN2097376U), used as the evidence of double patenting, was filed on February 7, 1991, the patent certificate issued on June 17, 1992, and the grant announced on September 30, 1992. The published claim was: "a high-efficiency, energy-saving back fire boiler with double-layer grates mainly consisting of a back fire grate, a front fire grate, and a boiler body, wherein the fire bars of the front fire and of back fire grates are spaced and arranged in an upper layer and a lower layer in a wave shape". Said utility model patent expired on February 8, 1999 before the date on which the invention patent in suit was granted.

The PRB, upholding the validity of the patent, took the view that when the invention patent was granted, the utility model patent granted earlier had expired, and the two patents did not coexist; therefore, the double patenting ground for the requested invalidation was not tenable.

The first-instance court affirmed the PRB's decision for these reasons. First, the claim of the invention patent only related to the technical feature of the upper-layer grate; while the claim of the utility model patent to the technical features of both the upper and lower layers of grates. It could be seen that the technical features of the patent for invention were included in the technical features of the utility model patent. Shu Xuezhang's invention patent and utility model patent related to the identical subject matter, so were of the identical invention. Second, the term of protection of the invention patent and that of the utility model patent were discontinuous, and said two patents did not coexist; hence it was not a case of double patenting.

The second-instance court vacated the first-instance judgment and the PRB's decision. First of all,

since the "identical invention-creation" as provided for in Rule 12, paragraph one, of the Implementing Regulations of the Patent Law referred to invention-creation that is substantially identical in the technical field, in the technical problem to be solved, and in technical solution; and "one patent right shall be granted to the identical invention-creation" meant that one patent for invention or for utility model should be granted thereto. The circumstance of the above-mentioned utility model and invention patents in this case was in line with the definition of the "identical invention-creation"; therefore, it was correct to hold the invention and utility model patents to be invention-creations relating to the identical subject matter in the first-instance judgment. Then, double patenting meant that one identical invention-creation was patented twice. However, co-existence of two patent rights for one identical invention-creation did not constitute a necessary condition of double patenting. In this case, to first grant the invention-creation a unity model and then an invention patent after the former expired was to grant the patentee the patent right for a technology that had fallen into the public domain. It was a case of double patenting, and, for this reason the invention patent was invalid.

After reexamination, the second-instance court rejected the request for retrial for substantially the same reasons.

The grounds on which Shu Xuezhang requested for retrial were as follows. First, the utility model and invention patents in suit were not of the identical invention: (1) since the technical features of the former were that both the back fire grate and the front fire grate were arranged in a wave shape; while the technical features of the latter only showed that the back fire grate was arranged in a planar wave shape, so the technical solution of the latter was missing in the former; and (2) in the second-instance ruling was disregarded the judgment standard that "the anticipated effects are the same" in judging identical invention-creation. Second, the grant of the invention patent was not double patenting: (1) when the utility model patent expired, the technical solution was still stood under temporary protection before the patent for invention was granted, so it is not justifiable to allege that it already entered the public domain; and (2) when the invention patent in suit was granted, the utility model patent had expired, there was no need to choose to abandon one patent, nor did the two coexis.

The reasons for the PRB to request retrial were as follows. Firstly, the two involved patents related to two different technical solutions. It was the claims, not the descriptions of the patents that should be compared in determining whether the two patents were of the identical invention. Secondly, the second-instance ruling revealed an erroneous understanding of the concepts of "public domain" and "known art". The so-called "public domain" and "known art" were determined with reference to the date of filing. It was wrong to have determined the known art when the earlier utility model patent expired as the prior art of the invention patent application in the second-instance ruling. Thirdly, neither the Patent Law, nor the Implementing Regulations of the Patent Law, prohibited an applicant from filing, simultaneously or successively, an application for an invention patent and one for a utility model patent for one identical invention-creation. Fourthly, if the invention patent was to be invalidated, all the patentees who had abandoned a utility model patent and obtained a later invention patent would be faced with the risk that their invention patents would be invalidated because of their earlier utility model that had already been abandoned.

The PBP made the defence as follows. First of all, the invention patent and utility model patent in suit were of the identical invention, namely they were substantially identical in technical field and object, used substantially the same technical means, and were capable of producing substantially the same objective effect. Then, the grant of the invention patent in this case was double patenting: (1) the principle of double patenting bar meant that the Patent Office could perform only one specific administrative action to patent one invention-creation any time; (2) to grant the patentee a patent for a technology that had already been in the public domain was obviously unfair to the public; (3) if the double patenting bar was understood as "it is not allowable for two or more valid patent rights for an identical invention-creation to co-exist", it would unreasonably extend the exclusive right of the patent, and would also possibly weaken the function of the domestic priority system which allowed an applicant to choose whether to apply for an invention patent or for a utility model patent; and (4) the reason for double patenting of the invention patent in suit was due to the Patent Office's failure to have searched the document of the granted utility model patent. The resultant double patenting was unfair to the public.

Rule of Law

Rule 12, paragraph one, of the Implementing Regulations of the Patent Law (1992) *For any identical invention-creation, only one patent right shall be granted.*

Reasoning

1. About whether the two involved patents are of the identical invention.

Both Rule 12, paragraph one, of the Implementing Regulations of the Patent Law as of 1992 and Rule 13, paragraph one, of the Implementing Regulation of the Patent Law now in force provide for the principle of double patenting bar, namely "for any identical invention-creation, only one patent right shall be granted". The purpose of prohibiting double patenting is to prevent conflicts and unnecessary overlap of patent right as a result of the coexistence of two or more patents relating to the identical invention. As long as the contents claimed in two patent applications or patents are different, the purpose of the double patenting bar can be achieved. Therefore, the "identical invention-creation" mentioned in both Rule 12, paragraph one, of the Implementing Regulations of the Patent Law as of 1992 and Rule 13, paragraph one, of the Implementing Regulation of the Patent Law now in force should refer to patent applications or patents having the same extent of protection, and it is ok only to compare the claimed contents, as far as the judgment method is concerned. For invention and utility model patents, it is necessary to compare the claims of the two patent applications or two patents, not to compare the claims of one patent application or patent with the whole documents of another patent application or patent. As for the circumstance of one patent application or patent extent completely falling into and narrower than what was claimed in another patent application, namely partial overlap of the extent of protection of the claims, we should not taken them as identical invention-creation, thereby refusing to grant a patent right to one of them according to the principle of double patenting bar. In this case, the claims of the latter application for invention patent only define that the upper layer of water pipe back fire grate is arranged in a planar wave shape; while the claims of the earlier utility model patent defined that the grates arranged in an upper layer and a lower layer in a wave shape. Therefore, the extent of protection thereof are different (with the earlier one narrower and the later broader). The different extent of protection rendered them non-identical.

2. About understanding of the principle of double patenting bar.

"For any identical invention-creation, only one patent right shall be granted." as provided for in Rule 12, paragraph one, of the Implementing Regulations of the Patent Law as of 1992 can be understood as co-existence of two or more valid patents relating to one identical invention is not allowed. Under the current system, one applicant filing applications for both utility model and invention patents relating to one invention is not contrary to the principle of double patenting bar insofa as the two patent rights do not exist at the same time.

In case of the same applicant, the presence of practice of allowing one applicant to file simultaneously or successively an application for a utility model patent and one for an invention patent relating to the identical invention has its historic reason, which, while not perfect, objectively helps an applicant to choose the best way to protect his invention.

In case of different applicants, the provisions of the Patent Law about first-to-file principle and conflicting application system in novelty judgment can address the issue of conflict arising from different applicants respectively filing applications for patents for one identical invention-creation. However, no provision has been set forth as to the circumstance where one applicant respectively files an application for a utility model patent and one for an invention patent for the identical invention-creation. The legislation reserves a relatively loose and convenient approach for one applicant to choose to file his patent applications.

It should be understood that the interpretation of the principle of prohibiting double patenting in the Guidelines for Examination and the related practice of the Patent Administration Department under the State Council in the past decade do not run counter to the basic legislative spirit of the Patent Law, nor cause vital unbalance between the interests of the patentees and the interests of the public at large. Quite the opposite, this has helped to encourage inventors to disclose their creation-invention at an earliest possible date, helps protect the related invention-creations in time, and helps enable other persons to avoid repetitive research and to make improvements and innovation in time on the basis of the previous inventions. Besides, this practice has been there in China for more then a decade. Simplistically denying its ligitimacy and rationality would have bearing

on the validity of multitude of related patents, and is obviously unconducive to the protection of the existing patents and patent applications.

In addition, if double patenting is understood as patenting one identical invention-creation twice, it would also make practical operation of the patent examination and grant difficult. If, within the period after an application is filed for invention patent and before it is published, another person files an application for a patent for utility model of an identical invention-creation and is granted the patent, the application for invention patent should not be granted if it is simplistically believed that only one patent right shall be granted to one invention. This is obviously contrary to the provision on the first-to-file principle in granting patents. Besides, it would make practical operation difficult if it is required to invalidate the utility model patent before granting a patent right for invention.

In addition, expiry of a patent right will not necessarily lead to its entrance into the public domain. For example, the circumstances of dependent patents and temporary protection should not be taken as those where the related technologies have already fallen into the public domain. Therefore, the conclusion drawn in the second-instance judgment that an invention enters the public domain when a patent therefor expired is too assertive. In this case, the application for the invention patent was in the period of temporary protection before the utility model patent expired; hence, the related technology should not be held to have fallen into the public domain.

Furthermore, the main reason that the application for the invention patent was granted after the utility model patent expired was that the period of examination of the patent application was too long. Seen from this point, it was not advisable for the applicant to take the adverse consequence due to the prolonged examination before the Patent Office. Meanwhile, this would not be unfair to the public.

Holding

1. The invention patent and utility model patent having different extent of protection were not of the identical invention in this case.

2. Even if they were the identical inventions, the invention patent and the utility model patent in this case did not constitute a case of double patenting.