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1. Introduction

As a European SME doing business in China, protecting your intellectual property rights (IPR) in such a challenging market is essential to business success.

Due to the difference in IP systems between Europe and China, many companies do not know how to protect their designs. While in Europe you can seek protection for an original work as either a registered or unregistered design, in China designs fall under the scope of patent protection, while no protection is offered to unregistered designs (unless the work can be protected via copyright. See page 4 for further details).

A design patent provides the right holder the exclusive use of a product design for a period of 10 years. As well as providing a legal basis to fight counterfeiters, a design patent also allows you to generate additional revenue by licensing the design to third parties.

This guide will provide a definition of a design patent, outline what benefits it can bring to your business, and explain how to successfully apply for one.

2. Understanding design patents

Definition

According to China's Patent Law, a design is defined as "the shape, pattern, or the combination thereof, or the combination of the colour with shape and pattern, which are rich in an aesthetic appeal and are fit for industrial application." While most items with a distinctive exterior appearance can be covered by a design patent the following cannot: two dimensional trade marks, parts of a design which cannot be used or sold separately and items which contravene local law or have a negative effect on public interest.

A Chinese design patent provides exclusive use of the aesthetic features of a product, i.e. how the product looks as opposed to how the product functions. For example, a design patent could protect the external appearance of a hair dryer but not the mechanism which causes air to blow. In addition two products with different functions but which appear the same may be covered by the same design patent. For example, the same design patent could apply to two generations of mobile phone with the same external appearance but different functionalities.

Importantly, the design must be novel. This means that the design must be new and not have been disclosed to the public through sales, advertising or any other means anywhere in the world before the application is filed in China. If the design was disclosed before the design patent application was filed, the patent could be invalidated later. Therefore if you plan to pursue a design patent in China make sure your design is treated as a trade secret and not made public in your home country or elsewhere in the world before the application has been made.

For further information on the protection of trade secrets in China, please refer to the China IPR SME Helpdesk "[Guide to Protecting your Trade Secrets in China](#)".

Although a Chinese design patent protects only the aesthetic features of a product, the product does not have to look 'good' – the product only has to have features that can be observed through a person's eyes alone. Furthermore, the product has to be capable of being sold or used independently. As such, spare parts that can be sold separately can be protected by design patents in China.

Comparison with the European system

Europe and China differ in several crucial aspects with regards to the legal structures for design protection. Designs in China must be registered as design patents in order for them to be protected, therefore the provisions of the Chinese Patent Law apply.

In Europe, protection is provided to both an Unregistered Community Design (UCD) and a Registered Community Design (RCD), which cover the whole of the EU (protection is also provided on a national level but terms vary across the EU). An UCD means that any design made available to the public is protected from being copied for three years from the date of publication.

If a longer term of protection is preferable, designs can be formally registered as an RCD with the Office for Harmonization in the Internal Market (OHIM). Under specific requirements, OHIM grants registration of RCDs within two working days (so called 'fast-track'

design registration) to meet the needs of certain industries. Providing that the correct renewal fees are paid, the RCD can provide 25 years of exclusive use of the design to the rights holder. On the other hand, China's design patents last for a maximum of 10 years, and are not renewable.

To be patentable in China a design must have absolute novelty, i.e. it must not have been published anywhere in the world before the date of application and must be sufficiently distinguishable from other designs. That means a design that has been published and enjoys UCD protection in Europe could not receive a design patent in China as it has already been made available to the public domain. It is also important to note that protection in China starts only after the registration has been completed and there is no fast-track registration procedure.

In addition, for a Chinese design patent a maximum of ten designs can be included in a single application but in Europe the number of design which can be included in an RCD is not limited.

	EU Community Design	Chinese design patent
Maximum term of protection	25 years	10 years
Unregistered design right protection	Protected for 3 years	NOT protected
Limit on number of designs in one multiple design application	No limit	Max ten
Novelty requirement	The design must not be disclosed anywhere in the world before the patent application is filed in order to be considered novel. However, if a company discloses its novel design before it applies for a design patent, it still has 12 months to apply for the registered community design in the EU.	The design must not be disclosed anywhere in the world before the patent application is filed in order to be considered novel. If the design is disclosed anywhere in the world before the design patent application is filed, the design is not patentable.
Limitation on number of view	Max seven view per design	No statutory limitation
Brief description of design	Optional	Mandatory

Figure 1. Comparison of design patent protection between China and the EU

Comparison with other Chinese patents

China offers two additional types of patents that protect the functionality of a product or a method: the invention patent and the utility model (sometimes known as a mini-patent due to the shorter protection term and less comprehensive examination procedure).

If you wish to protect more than the external appearance of your product please see the China IPR SM Helpdesk "[Guide to Patent Protection in China](#)".

Type of patent	Protected matter	Maximum term	Form of examination
Invention	Inventive ideas realised as product and/or method	20 years	Substantive examination
Utility model	Inventive ideas realised as product	10 years	Preliminary examination
Design	Aesthetic features, i.e. the appearance of a product	10 years	Preliminary examination

Figure 2. Chinese patents comparison

Design patent vs Copyright

In China, copyright and design patents serve two

distinct functions: copyright protects the physical expression of an idea whereas a design patent protects the aesthetic features of an industrial product. Different aspects of the same product may be covered by these different types of IPR. For example, the external appearance of an electric razor may be protected by a design patent whereas the instruction manual, packaging and marketing materials are covered by copyright.

Some companies may ask when a design patent should be used and when copyright should be used to protect a product. In general, design patent protection should be considered whenever a product with new and distinctive aesthetic features is in development.

The line is blurred if the product has two-dimensional (2D) design features such as patterns, colours or their combinations. Although such products are not excluded absolutely from design patent protection, such 2D design features would be excluded if these are mainly used for identification i.e. being used as trade mark. Therefore, it is advisable to protect products with 2D design features by copyright initially, and where possible apply for design patent protection.

Furthermore, copyright can offer an additional layer of protection as it protects images of the design such as photographs and those found in instruction manuals. When counterfeit items are offered for sale, especially online, they often use copyright protected images. Providing copyright ownership can be proved, this can be a successful IPR protection strategy.



3. How to register a design patent in China

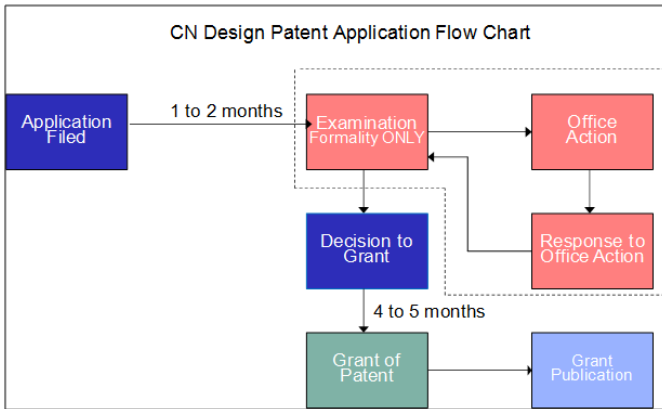


Figure 3. Design patent application flow chart

Design patent applications in China should be made to the State Intellectual Property Office (SIPO) and must be made in Chinese. It is recommended that you carefully choose a patent agent or attorney to support this process. The importance of Chinese language accuracy is very high as it is the value of experience in filling patents: knowing what the examiner would like to see and what common mistakes can lead to a rejected application.

Figure 3 depicts the procedure of applying for and obtaining a Chinese design patent. The entire process takes around six to eight months if there are no significant delays. In the application, other than name, nationality and address of the applicant(s) and designer(s), title of the design, and drawings/photos (known as views) of the design itself, a brief description of the design including the following must be provided:

- Name of the product.
- Use of the product, which determines the class of the product and the scope of protection.
- Indication of the essential design feature(s), that is, the major difference(s) of the design from any prior designs patents (held by you or another company).
- A drawing or photograph for publication when the design patent is granted.
- Specifics of the colour used, if colour is claimed. In general it is better not to claim colour to provide a broader scope of protection. If colour is claimed it is recommended to provide images and claim colour in relation to the images rather than providing a specific CMYK value as this would also make the scope of the patent very narrow. If an infringer

produced your product but changed the colour only slightly a narrow patent scope would mean you would not be able to enforce against the infringer.

- Other additional information, for example symmetric view(s), omitted view(s), basic design of multiple similar designs, transparent material used, and so on. Seek advice from your patent agent or attorney on what additional information will add value to your application.

Once the application has been accepted and found to include all relevant information it will be passed to preliminary examination (about one to two months after it is filed). Although no patentability searches will be carried out during preliminary examination (the examiners will not check that the patent is novel), Chinese examiners are sensitive to defects in design drawings which could delay or even prevent the granting of the patent.

The following actions are recommended:

- a) avoid mislabeling the views (eg. stating the side is the top and so on), avoid unclear images and inconsistencies between the views;
- b) do not include the following: shadows, dotted or dot-dash lines, lines to show a label etc. which could be misinterpreted as design features;
- c) ensure the same scale is used in all drawings;
- d) ensure enough views are provided to show detail in a product with multiple sides;
- e) consider not only patenting the overall design of a product, but also the designs of separate features and components, which can prevent cherry picking of components by infringers;
- f) double-parallel dash lines can be used to represent a section omitted from a long product when the middle part does not contain any design features or the pattern is repeated. Applicants should be careful when using such lines not to confuse the examiner;
- g) for certain products, such as some toys, you may wish to present a cross-sectional view to show a design feature which would not be visible when the product is in its packaging. Sections lines or appropriate symbols should be used to indicate a cross-sectional view;
- h) when providing an enlarged view of one segment, be sure to clearly label the location of the segment.

TIPS for successful registration of a quality design patent

- Remember the novelty requirement in Europe and China is different. As with the EU, China requires absolute novelty but does not allow for a one year grace period as does the EU Community Design, which in addition protects unregistered designs for three years. If a design has been disclosed in Europe, including filing for a Registered Community Design, then novelty has been lost and it will not be possible to obtain a design patent in China. The only exception is if a Chinese design patent is applied for within six months, the European filing date can be claimed as the 'priority filing date'.
- Other than avoiding the common mistakes in drawings, please note that at most ten similar designs can be included in one application in China. By contrast, an RCD application can have as many similar designs as desired. Therefore, if the same set of drawings were filed in Europe and China, a Chinese examiner would object to any more than ten designs and therefore the design patent granting would be delayed while the application was divided.
- Within the limits of ten similar designs, it is recommended to include as many similar designs as possible in one application in China to save on application fees. In practice the threshold for similarity in China is not that high but in case an examiner finds one (or more) design(s) is not similar enough, you can then divide the application up. Additionally, in case one design within the multiple applications is later found to be invalid it will not affect the overall patent. Please see the following notes on multiple applications.
 - According to the Chinese Patent Law and the related Implementing Rules multiple designs can be included in one application if they are in the same class and relate to each other, for example a set of six different coffee cups designed to be sold as a set. On the other hand items from two different classes, for example, the external design of both a real car and a toy car, cannot be included in one application. However, in some circumstances it may be possible to apply in one application for different classes depending on the actual item. Please seek advice from a patent lawyer in this case.
 - Although the SIPO states that design protection scope is not affected by the essential design features and/or indication of colours in the brief description, it is advisable to provide as little information on these points as possible to avoid restriction on design protection scope at the Courts.

Graphical user interface

Since the publication of the SIPO Revised Examination Guide (which provides guidance to patent examiners), effective from 1 May 2014, a Chinese design patent can be obtained for a graphical user interface (GUI). The following additional items are required in a design patent application for a GUI:

- A figure showing the GUI housed within the specific product should be provided as the main (or 'prospective') view. However, this requirement could cause problems to European applicants in claiming priority of GUI design in China. In Europe it is possible to register a GUI design with a view of the GUI only, i.e. not within a certain product. Therefore, it is advisable that applications in Europe are made showing the GUI in the specific product in order that the priority filing date can still be claimed and the design patent be granted in

China. For GUIs which involve motion or transitions applicants should provide a view of the 'main screen' as the prospective view and additional views of the changed screen to illustrate the motion or transitions.

- The brief description of the design should include the use of the GUI, the location of the GUI within a product (eg. front screen of a mobile phone), the human-machine interaction involved and any application changes in the interface.

4. Enforcement

Once your design patent has been granted you are in the position to enforce your exclusive right to the design. We advise you to monitor the market, both online and off line, to be aware of infringing goods and take action as soon as possible to counter any infringements. There are various options available

depending on your business strategy. In some cases it may be advisable to negotiate with the infringer and seek a mutually beneficial solution such as licensing your design which provides you with an additional revenue stream. However, in case you wish to stop the infringement several enforcement channels are available:

Administrative

China's administrative bodies have the authority to enforce IPR. In the case of design patents, they can be enforced by local Intellectual Property Offices (IPOs). If you believe your design patent is being infringed the local IPO can support you to conduct a raid and if evidence is found, to stop the infringement by closing down production and imposing a fine. It is not possible for you to seek damages through the administrative enforcement system but it can be a relatively inexpensive and quick way of stopping infringement.

Courts

In order to seek damages a design patent holder can enforce their IPR through the relevant courts. Although a court case may be expected to be lengthy and costly, a design patent has some advantage over other patent types. A design patent infringement is indicated by a visual comparison between figures of the design patent and the infringing products, which is easier than determining infringement in an invention patent case. This means that the enforcement of a design patent has certain advantages including faster proceedings, lower costs and higher level of certainty of the outcome due to the fact it is easier for the Chinese People's Court to accept and handle design patent cases. Companies such as Kenwood have experienced success in China in enforcing their design patents through the courts.

Case study



Figure 5. The contested bus design. Source of picture: http://news.xinhuanet.com/english/2009-02/03/content_10758236.htm



Figure 4. KENWOOD has successfully enforced its design patents with regard to radio equipment TK-278/378 and TK-2160/3160 against Chinese infringers.

Customs

Chinese Customs is an effective IP enforcement tool in China, but frequently overlooked by European SMEs. Chinese Customs can support IP protection due to the fact that not only goods imported into China are monitored, but also goods exported out of China. Chinese Customs has the authority to seize and destroy shipments of IP infringing goods to be exported. Although the majority of infringing goods are identified through trade mark infringement, a design patent can also be used as a visual identifier of infringement. China Customs offers a system of recordal of IP into their central database which supports Customs officers to spot infringing shipments. For more information on Customs, please see our "[Guide to Using Customs to Protect Your IPR in China](#)".

The German bus manufacturer Neoplan registered its design for its Starlight bus (left bus on picture above) as a design patent in China on 23 September 2004. The design patent was granted on 24 August 2005. In 2006 Neoplan started legal proceedings against the Chinese company Zhongda. Neoplan claimed that Zhongda's A9 bus (right bus on picture above) infringed upon its design patent. The Beijing Court ruled in January 2009 that Zhongda indeed infringed upon the design patent of Neoplan and awarded Neoplan damages of over RMB 21 million, approximately EUR 2 million.

However, following the judgment, Zhongda secured evidence that the design patented by Neoplan had been disclosed before its patent application had been filed. The design had been published in two bus magazines: "Bus aktuell" and "Bus magazin" before Neoplan applied for its design patent in China. With this evidence Zhongda successfully invalidated the design patent in front of the Patent Review Board in 2010 and in 2012 the Beijing High Court ruled that the earlier decision finding infringement was overruled since the design patent of Neoplan was invalidated.

Lesson: register your design patent in China before you disclose your design patent anywhere in the world. You can successfully win a design patent case in China, but if your design patent is disclosed before you applied for the design patent, your design patent will be invalidated.

Take away messages

- Register your design patent in China before you disclose your design patent anywhere in the world, otherwise your design patent can be invalidated.
- Design and copyright in China protect different items. If a product is to be made from design diagrams, then design patent protection should be considered.
- Since 1 May 2014, it is possible to protect a graphical user interface (GUI) through a Chinese design patent. However, European applicants may not be able to claim priority from Europe due to European practice of not linking GUI to a specific product. At present, European applicants are advised to include a view showing the GUI within a specific product in future EU first priority applications to ensure that the priority date could be claimed in China.
- Multiple design application (up to a maximum of ten designs) should be actively considered whenever possible.
- Due to the unique Chinese IP infringement environment and the nature of design patents, design patent infringement litigations are common, and good litigation results can be obtained by the owners of such rights.

Related links and additional information

China IPR SME Helpdesk guides:

Guide to Protecting your Trade Secrets in China

http://www.china-iprhelpdesk.eu/sites/all/docs/publications/EN_Trade_Secrets_Nov_2010.pdf

Guide to Using Customs to Protect Your IPR in China

<http://www.china-iprhelpdesk.eu/sites/all/docs/publications/Customs.pdf>

Guide to Patent Protection in China

http://www.china-iprhelpdesk.eu/sites/all/docs/publications/China_IPR_Guide-Guide_to_Patent_Protection_in_China_EN-2013.pdf

Mainland China Factsheet

http://www.china-iprhelpdesk.eu/sites/china-hd/files/public/Mainland_china.pdf

Related links:

State Intellectual Property Office:

www.english.sipo.gov.cn

Office for the Harmonization in the Internal Market:

<https://oami.europa.eu/ohimportal/en/>

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