



IP NEWS

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Jiaquan IP Law

IP NEWS

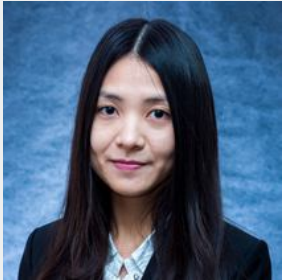
THE THEME

Patent practice - Differences between Patent Search Reports and Patent Right Assessment Reports

Trademark practice - Changing Attitudes to Letters of Consent?

Patent practice - Differences between Patent Search Reports and Patent Right Assessment Reports

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Ms. Shi's primary focus is on patent prosecution but she also has experience in trademark prosecution and copyright prosecution. Ms. Shi has acquired an intimate understanding of patent law, and during her career has amassed extensive experience and knowledge in patent prosecution, both domestically and internationally.

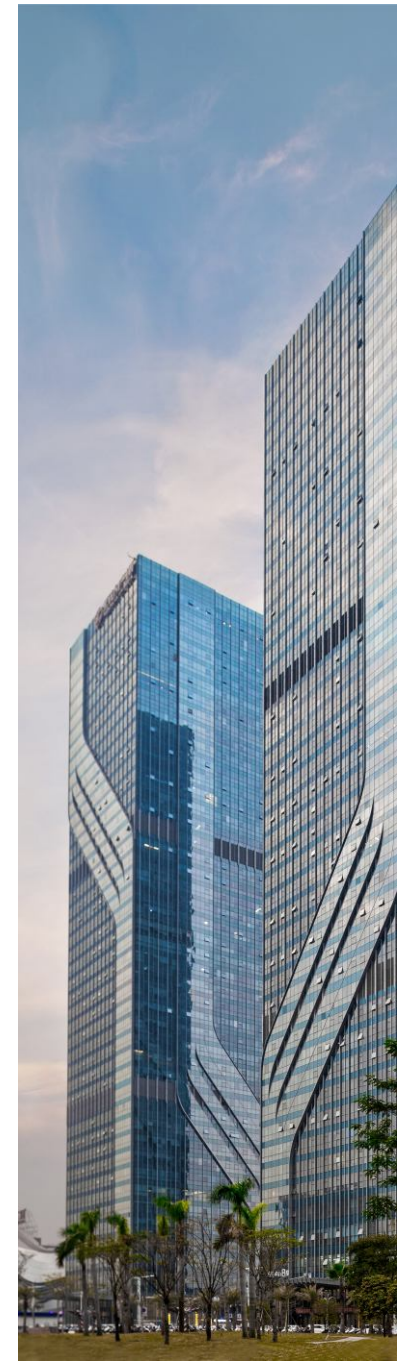
The Patent Search Report (hereinafter referred to as "Search Report") is a search report that may be requested by anybody to suit their own specialized needs, including: novelty searches, existing technology/existing design searches, special searches, granted patent searches, legal status searches, searches of patent families, tracking searches, infringement analysis, patent invalidity searches, etc.

Increasing numbers of enterprises and organizations are taking advantage of Search Reports to build early warning analysis platforms, dedicated to checking or monitoring the IP status of their competitors. As a result, these entities can more effectively avoid unintentional patent infringement during operation, management, and R&D.

The Patent Right Assessment Report (hereinafter referred to as "Assessment Report") refers to reports issued by the CNIPA, which a patentee or interested party can request when facing an infringement dispute. It establishes an important basis for judging the stability of a patent. However, it may only be requested after being granted a utility model patent or design patent.

The differences between Search Reports and Assessment Reports are summarized as follows:

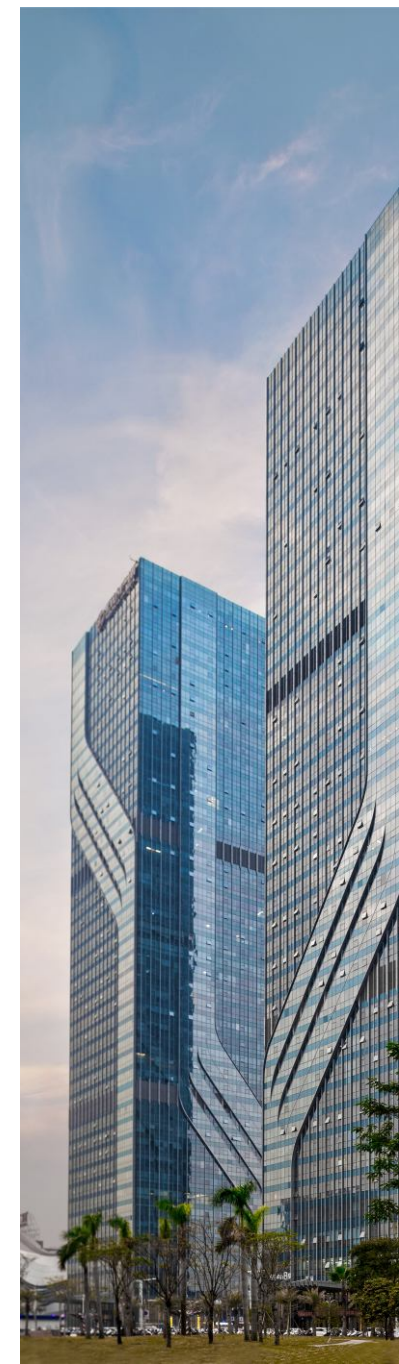
Differences	Patent Search Report	Patent Right Assessment Report
<i>Patent Type</i>	All types of patents	Only for Chinese utility model patents or Chinese design patents



<i>Who Can Request</i>	Anyone	Only the patentee or an interested party (An interested party refers to a party that brings a relevant lawsuit to court, or requests administrative authority for handling patent infringement disputes; such a party could include the licensee of a patentee-authorized license contract)
<i>Who Can View</i>	Only the <u>requestor</u>	The report is open to the public and available on the official CNIPA website (Because the report is publicly available, the <u>requestor</u> should take appropriate <u>precautions</u> while applying for the report)
<i>Issued By</i>	CNIPA Search Center	CNIPA
<i>Purpose</i>	To predict the chance of being granted a patent prior to filing the patent application	E-commerce platform complaints
	Application for prior examination	Provides reference basis for court, industry, commerce administrative departments, and public security department
	Patent license and transaction	Patent license and transaction
	Search for evidence of patent invalidity	Important reference for the stability of patent rights
	Evaluation of patent stability	
<i>Time Required</i>	About 10 working days Expedited: 5 working days (For urgent needs, please contact the search center in advance to confirm if immediate processing is possible)	About 2 months (No Expedition)
<i>Request times</i>	Unlimited	Only one time
<i>Cost</i>	Not fixed, case by case	Fixed fee: RMB 2,400
<i>Required Information or Documents</i>	Description of search purpose, technical disclosure, or patent documents. Other requirements depend on the specific search being conducted.	Request Form for Patent Right Assessment Report; Power of Attorney

From this table, it is evident that the Patent Right Assessment Report is different from Patent Search Report. However, relevant Patent Searches are bound to be conducted for the issuance of an Assessment Report anyway. In general, the application scenarios of the Patent Search Report are more extensive than that of Patent Right Assessment Reports.

The Patent Right Assessment Report is not an administrative decision and can only be used as a "form of evidence" for reference. The Patent Right Assessment Report may not be used to deny the granting of a patent.



Trademark practice - Changing Attitudes to Letters of Consent?

Rick Z. TAN



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Patent Engineer
Trademark Attorney
International Department

Rick works as an IP counsel in the International Department of Jiaquan IP Law. He advises on IP protection strategy for both domestic and international clients, mainly regarding works on patent, trademark and copyright. After joining Jiaquan, Rick chiefly engaged in filing and prosecution of foreign national trademark, international trademark and copyright. Moreover, with his experience in Chinese IPRs enforcement and litigation, he could always tailor IP protection plans for foreign clients based on IPRs enforcing purpose. In the meantime, Rick is also familiar with the Chinese patent system, his practice covers patent searching, prosecution, reexamination, invalidation, infringement, etc.

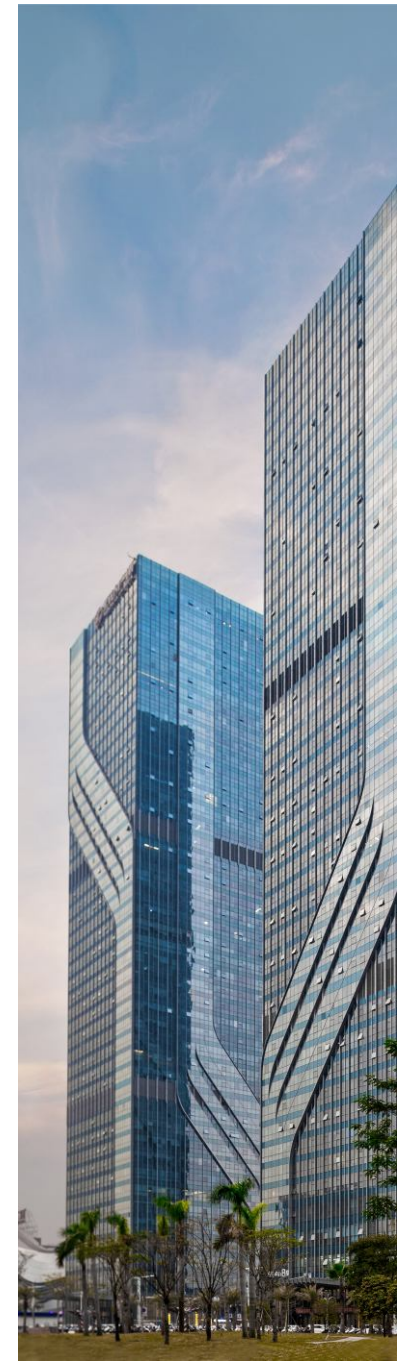
Due to a large number of existing trademarks, trademark registration applications in China are often rejected due to alleged conflicts with prior applications or registrations. A Letter of Consent (LoC) may provide a practical and efficient solution for such situations. For those who do not know what an LoC is, or how they work, please see our previous article:

<https://www.jiaquanip.com/news.asp?ArticleID=191&ClassID=41>.

In our experience, a Letter of Consent has been quite useful for overcoming provisional refusals at the CNIPA (originally Trade Mark Review and Adjudication Board, i.e. TRAB) level, unless trademarks are far too similar, verbally identical, or the goods and services offered are practically the same.

However, the general attitude towards Letters of Consent appears to have shifted in the past few months. After recently receiving several unfavorable decisions, we reviewed all the refusal decisions (with LoC presence) made between July 2021 and September 2021. Our findings have been summarized in the table below:

	July 2021	August 2021	September 2021
Number of cases in which <u>LoC</u> was accepted	82	53	3
Number of cases in which <u>LoC</u> was not accepted	96	204	219
Accepted rate	46.1%	20.6%	1.4%



The data indicates an abundantly clear trend of the CNIPA becoming more conservative, if not entirely resistant, in accepting Letters of Consent. Even in the three cases in September where LoCs were 'accepted', CNIPA did not accept the LoCs point-blank. Instead, CNIPA found that the applied-for trademarks did not constitute similar trademarks on the ground that "there was a certain distinction between the trademarks". In this light, it seems that CNIPA has rejected all Letters of Consent from September 2021 onwards. Why has CNIPA made such drastic changes to its practices? Considering that it is the last quarter of the year, could it be KPI-driven behavior? Does this signal a permanent shift in CNIPA policy? Any definitive answers remain unknown.

The most pressing question is whether Letters of Consent have become effectively useless. This largely depends upon the attitude of courts with the ability to overturn CNIPA's decisions. We researched trademark administration litigation cases involving LoCs from July 2021 onwards, and fortunately found that courts of both the first and second instance have apparently treated LoC the same way they did previously. In other words, if trademark applicants took rejected cases through judicial processes, cases that would have once been accepted

with an accompanying LoC at the CNIPA level would likely have their rejections reversed by the courts.

With that said, we cannot guarantee that the attitudes of these courts will not change in the near future. Thus, we must remain cautious and assume that these courts will eventually limit their acceptance of Letters of Consent as well - just not in the dramatic manner exhibited by CNIPA. From a higher dimensional perspective, whether it is the somewhat long-standing practice of not staying review of refusal cases pending the decision of non-use cancellation of cited marks or the emerging trend of refusing LoC, CNIPA appears to be sending a message that it does not want applicants to look for solutions when they encounter problems; rather, it encourages pre-filing planning. In this context, we highly recommend spending more time and effort on refining application strategies, i.e., based on search results, strategizing early to avoid known obstacles. From my experience, this is something I believe our peers in other countries still struggle with.

In addition, although it may be common knowledge, please consult a trusted Chinese trademark attorney regarding trademark filing strategies at the earliest possible stage.

