



## Catalog of Industrial Design Rights Remedies in ID5 Jurisdictions

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## **I. Industrial Design Rights Available**

### **QUESTION I.1 - Do you have registered design rights, unregistered design rights or both?**

#### **CNIPA**

China only has registered design right, which is protected via design patents.

#### **EUIPO**

There are a parallel designs protection systems in the EU. Design protection can be granted at the level of the individual Member States, and at the level of the EU through the EUIPO.

The answers contained in this questionnaire relate to the EUIPO competence only.

The Community Designs Regulation foresees protection for both registered (RCD) and unregistered Community designs (UCD).

Council Regulation No 6/2002 on Community designs brought into being a procedure for registering designs with the European Union Intellectual Property Office (EUIPO). Exclusive rights are initially granted for 5 years from the filing date and can be renewed for up to 25 years for those registering designs. The same regulation also provides for Unregistered Community Designs that under certain conditions can also benefit from protection for up to 3 years from deliberate copying without prior registration with the EUIPO.

Both, the registered and the unregistered design, have unitary character throughout the European Union and they have the same requirements for protection, such as novelty and individual character (see Question I.2).

The main difference in the level of protection afforded will be that a Registered Community Design will be protected against both deliberate copying and the independent development of a design giving the same overall impression on the informed user. An unregistered Community design will be protected only against deliberate copying. Consequently, there is no infringement if the design has been created independently by a second designer (who can prove that he was not aware of the existence of the protected design).

#### **JPO**

Japan only has registered design rights.

#### **KIPO**

Korea only has a registered design rights and does not have unregistered design rights.

#### **USPTO**

The United States protects industrial design rights via United States design patents (registered rights).

While there are no unregistered design rights, design patent applications like utility patent applications can give rise to provisional rights pursuant to 35 USC § 154(d). Provisional rights provide the potential for a remedy of a reasonable royalty during the period beginning on the

date of publication of the application if the design claimed in the published application is “substantially identical” to the claimed design in the issued patent. This provision applies primarily to international design applications filed via the Geneva Act of the Hague Agreement that designate the United States and the corresponding international registration which is a publication under U.S law. U.S. design patent applications are not published until issued as a granted design patent.

**QUESTION I.2 - Please provide an overview of your registered and/or unregistered design rights respectively and what the requirements are for each type of right.**

**CNIPA**

According to Article 2 and Article 23 in Patent Law of the People’s Republic of China:

"Design" means any new design of the shape, the pattern, or their combination, or the combination of the color with shape or pattern, of an overall or partial product, which creates an aesthetic feeling and is fit for industrial application.

Requirements for registration:

A. Any design for which patent right may be granted shall not be a prior design, nor has any entity or individual filed before the date of filing with the patent administration department under the State Council an application relating to the identical design disclosed in patent documents announced after the date of filing.

B. Any design for which patent right may be granted shall significantly differ from prior design or combination of prior design features.

C. Any design for which patent right may be granted must not be in conflict with the legitimate right obtained before the date of filing by any other person.

The prior design referred to in this Law means any design known to the public before the date of filing in China or abroad.

**EUIPO**

As described above, the Community design regulation offers protection for registered and unregistered Community design rights.

The EUIPO has no competence with regards to unregistered Community designs which are automatically protected for a period of three years from the date on which the design was first made available to the public within the Community. An unregistered Community design shall be deemed to have been made available to the public within the Community if it has been published, exhibited, used in trade or otherwise disclosed in such a way that, in the normal course of business, these events could reasonably have become known to the circles specialised in the sector concerned, operating within the Community. The design shall not, however, be deemed to have been made available to the public for the sole reason that it has been disclosed to a third person under explicit or implicit conditions of confidentiality.

In both cases, to be eligible for protection, the Community design must be new and have individual character (both being grounds for invalidity after registration). In other words, it must be apparent to the public that they are different from designs which existed previously.

A design incorporated in a product which constitutes a component part of a complex product shall only be considered to be new and to have individual character if the component part, once it has been incorporated into a complex product, remains visible during normal use of the latter and to the extent that those visible features of the component part fulfil in themselves the requirements as to novelty and individual character.

#### A. Novelty

According to Article 5 of Council Regulation No. 6/2002 on Community designs (CDR), a registered Community design shall be considered to be new if no identical design has been made available to the public before the filing date or the date of priority. For unregistered Community designs the relevant date is the date on which it was first made available to the public. For this requirement, a design shall be deemed to be identical if its features differ only in immaterial details.

#### B. Individual Character

According to Article 6 CDR, a registered Community design shall be considered to have individual character if the overall impression it produces on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public before the filing date or the date of priority. For unregistered Community designs the relevant date is the date on which it was first made available to the public. In assessing individual character, the degree of freedom of the designer in developing the design shall also be taken into consideration.

### **JPO**

#### **1. The application for design registration to be rejected (Article 17 of the Design Act)**

The application for design registration which has been filed to Japan shall be rejected and not be registrable where the said application falls under any of the following:

- (i) the design in the application for design registration is not registrable under Article 3(Industrial applicability, Novelty, Creativity), 3-2(Exclusion of protection for a design that is identical with or similar to a part of a design in a prior application), 5(Unregistrable designs), 8(Design for a set of articles), 8-2(Design for interior), 9(1) or (2)(Prior application), 10(1), (4) or (6)(Related designs) of this Act, Article 38(Joint applications) of the Patent Act as applied under Article 15(1) of this Act, or Article 25(Enjoyment of rights by foreign nationals) of the Patent Act as applied under Article 68(3) of this Act;
- (ii) the design in the application for design registration is not registrable under the provisions of any relevant treaty;
- (iii) the application for design registration does not comply with the requirements under Article 7(One application per design); and

(iv) where an applicant of a design registration does not have the right to obtain a design registration on the design for the said design.

## 2. Invalidation of design registration (Articles 48 and 49 of the Design Act)

Where a design registration which has been granted in Japan falls under any of the followings, the said design registration shall be invalidated and its design rights shall be deemed not to be granted originally.

(i) where the design registration has been granted in violation of Articles 3, 3-2, 5, 9(1) or (2), 10(6) of this Act, Articles 38 of the Patent Act as applied mutatis mutandis under Article 15(1) of this Act, or Articles 25 of the Patent Act as applied mutatis mutandis under Article 68(3) of this Act (where the design registration has been obtained in violation of Article 38 as applied mutatis mutandis under Article 15(1), excluding the case where the transfer of a design right pertaining to the design has been registered based on the request under Article 26-2(1)).

(ii) where the design registration has been granted in violation of a treaty;

(iii) where the design registration has been granted on an application for design registration filed by a person who has not had the right to obtain the design registration for the said design (excluding the case where the transfer of a design right pertaining to the design registration has been registered based on the request under Article 26-2(1)); and

(iv) where, after the grant of a design registration, the holder of design right has become unable to hold a design right under Article 25 of the Patent Act as applied mutatis mutandis under Article 68(3) of this Act, or the design registration has become in violation of a treaty.

## **KIPO**

### A. Requirements for design definition

#### 1) Merchantability

A design has an indivisible relationship with articles and cannot exist without articles. That is, the Act does not protect a created design, but protects articles to which the design is applied.

#### 2) Configuration (shape, pattern, color)

- Configuration means the shape, pattern, or color, or a combination of these in an article
- Shape: appearance of an article, which occupies space, 3D outline, which composes articles;
- Pattern: chromaticity, color turbidity, and color distinction, which show the appearance of articles; and
- Color: color painted on articles to be discriminated visually

#### 3) Visibility

A design is limited to things which can be identified by the human eye. In other words, the Act does not apply to things sensed by a feeling, things unable to be discerned, and to things which can only be identified using instruments such as a microscope.

#### 4) Aesthetics

A design is applied only to things which stimulate an aesthetic sense. However, since an aesthetic sense may be subject to individual judgment, it is difficult to establish exact judgment criteria. Therefore, in actual examination, if an article has perceptible formative beauty rather than a high-level of aesthetic sense, it is regarded as possessing aesthetic sense.

Although the design meets the requirements for the design definition stated above, to register a design, the design should meet the substantial requirements including i) novelty, ii) creativity, and iii) industrial applicability.

### B. Requirements for design registration

#### 1) Novelty

Novelty signifies that the design, before application, should not be included in publications or catalogues, publicized through sales or exhibition, or exposed in any condition such that someone can identify it.

#### 2) Creativity

The creativeness of a design signifies that a person with ordinary skill in the art cannot easily create a given design by internationally or domestically known designs, or by domestically well-known shapes, patterns, colors, or a combination thereof.

#### 3) Industrial Applicability

- "Industrial Applicability" refers to articles with the same design that can be produced in large quantities by industrial production methods.
- "Industrial Production Methods" include both mechanical and manual production methods.
- "Mass production of the articles with the same design is possible" means the articles are not completely identical, but has similarities to the extent that the appearance is seemingly identical.
- Therefore, to meet the "Industrial Applicability" requirement, the article related to the design in an application should be reproducible and the subject of intended mass production from the beginning. If there is no industrial applicability.

### USPTO

As described above, the U.S. only has registered design rights and does not have unregistered design rights.

Chapter 16 of title 35 of the United States Code addresses design patents. Section 171 provides that "[w]hoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title." This Section also provides that the provisions of title 35 relating to patents for inventions also apply to

patents for designs, except as otherwise provided. Therefore, in addition to ornamentality, design patents must also satisfy requirements of novelty, non-obviousness and contain a proper and complete disclosure as set forth respectively in sections 102, 103 and 112 of title 35 in order to qualify for protection. A design patent application may only have a single claim (37 CFR § 1.153). Designs that are independent and distinct must be filed in separate applications since they cannot be supported by a single claim. Design patent grants emanating from applications filed in the United States on or after May 13, 2015, enjoy a term of 15 years from the date of grant. Design patent grants emanating from applications filed in the United States before this date have a 14-year term. The United States does not require any renewal or maintenance fees for design patents to remain in force through their terms.

#### A. Ornamentality

As an initial matter, an industrial design must be ornamental and not be primarily functional. In determining whether a design is purely functional or possesses ornamentality, the claimed design is viewed in its entirety. The ultimate question is not the functional or decorative aspect of each separate feature, but the overall appearance of the article, in determining whether the claimed design is dictated exclusively by the utilitarian purpose of the article. When there are several ways to achieve the function of an article of manufacture, the design of the article is more likely to serve a primarily ornamental purpose.

A design for an article of manufacture that is dictated purely by the function of the article lacks ornamentality and is, therefore, not patentable subject matter. A distinction, of course, must be drawn between the functionality of an article that embodies a patented design and the functionality of the design itself.

#### B. Novelty

Once the design is determined to possess ornamentality, the next inquiry is whether the prior art discloses the claimed design. The standard recognized by the courts is whether the prior art shows an article of "substantially the same appearance" to an ordinary observer. If the prior art meets this standard, the design for which protection is sought, even if it is embodied in an article for a different use, is not considered novel.

#### C. Non-Obviousness

Even if the design is considered novel, the design must be non-obvious to be patentable. The test for obviousness is much broader than the test for novelty. The relevant question is whether a designer having ordinary skill in the art would find the claimed design obvious at the time the design was filed. In respect of design patents, the "one of ordinary skill in the art" identified in 35 USC § 103 is "the designer of ordinary capability who designs articles of the type presented in the application."

#### D. Disclosure

The disclosure of the design is represented by a visual representation, such as drawings or photographs of the design. A claim in design patents, unlike utility patents, is a brief simple

statement that references the disclosure of the design, as shown in the drawings or photographs, along with any accompanying description such as disclaimer of unclaimed portions or clarification of features.

## **II. Equitable Remedies**

### **A. Injunctive Relief**

**QUESTION II.A.1 - Can a design rights owner obtain injunctive relief for alleged infringement of rights? If injunctive relief is available, please explain the scope of the relief. I.e., are both preliminary (before the full case on the merits is heard) and permanent injunctive relief (after a full case on the merits) available? Are there any time limits on the injunctions?**

#### **CNIPA**

Yes, the patentee of industry design can obtain preliminary and permanent injunctive relief for alleged infringement of rights in china.

Permanent injunctive relief is regulated in “Civil Code of the People’s Republic of China”, the Article 179 regulates that:“Civil liability shall be assumed primarily in the following manners:

(1) Cessation of infringement.....” There is no time limits in permanent injunctive relief.

Preservative measure (preliminary injunction) is mainly stipulated in Article 100 and Article 101 of the “Civil Procedure Law of the People's Republic of China”, and in Article 72 of the “Patent Law of the People’s Republic of China”. Preservative measures are usually valid during the trial. As for preservative measure before instituting an action (Article 101 of the “Civil Procedure Law of the People's Republic of China”), if the applicant fails to institute an action or apply for arbitration in accordance with law within 30 days after the court takes a preservative measure, the court shall remove preservation.

In addition, the Article 65 of “Patent Law of the People’s Republic of China” regulates about “the administrative authority for patent affairs order the infringer to stop the infringing act”:

“Where a dispute arises as a result of the exploitation of a patent without the authorization of the patentee, that is, the infringement of the patent right of the patentee, it shall be settled through consultation by the parties. Where the parties are not willing to consult with each other or where the consultation fails, the patentee or any interested party may institute legal proceedings in the people’s court, or request the administrative authority for patent affairs to handle the matter. When the administrative authority for patent affairs handling the matter considers that the infringement is established, it may order the infringer to stop the infringing act immediately.....”

According to the “Civil Code of the People’s Republic of China”, the Article 179 regulates that:

“Civil liability shall be assumed primarily in the following manners:



(2) Cessation of infringement.....”

### **EUIPO**

Any infringement of a Community design is to be claimed on a national level in one of the EU's Member states. How and to which extent the rights can be enforced is, therefore, a question of the national law of each Member State. To a certain extent, the national laws of the Member States are harmonized through EU-wide directives. It is, however, on the Member States to comply with such directives. In particular, the national procedural law is not harmonized in all areas. The following, is therefore an attempt to outline general principles.

Yes, in principle, injunctive relief is available on a national level. EU Member States shall provide for the measures, procedures and remedies necessary to ensure the enforcement of the intellectual property rights covered by the enforcement Directive No. 2004/48/EC (Article 3). Those measures, procedures and remedies shall be fair and equitable and shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays. Those measures, procedures and remedies shall also be effective, proportionate and dissuasive and shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse. Article 89, 90 (and 91) of Regulation No. 6/2002 also deal with measures in actions for infringement.

Both preliminary (before the full case on the merits is heard) and permanent injunctive relief (after a full case on the merits) are, in principle, available in the Member States of the EU.

Depending on the injunction sought, there may also be time limits on the injunction. For measures as described under Article 7 and 9 of Directive No. 2004/48/EC, for example, Member States shall ensure that the preliminary measures are revoked or otherwise cease to have effect, upon request of the defendant, if the applicant ‘does not institute, within a reasonable period, proceedings leading to a decision on the merits of the case before the competent judicial authority, the period to be determined by the judicial authority ordering the measure where the law of a Member State so permits or, in the absence of such determination, within a period not exceeding 20 working days or 31 calendar days, whichever is the longer’.

The procedural rules and the particular time limits are specified in the national rules of each Member State and may well differ from State to State.

### **JPO**

For an act of infringement of design rights, it is possible to seek injunction of an act of infringement, etc. as a relief by a civil procedure in a court.

In addition, where there is urgency such as infringement of design rights has already been realized and there is a possibility that significant damage may occur if left unattended, it is also possible to first apply to the court for the preliminary injunction that includes the suspension of infringement.

1. Right to seek injunction

The Design Act of Japan grants a right to seek injunction to a holder of a design right or an exclusive licensee. The details of the right to seek injunction are as follows (Article 37 of the Design Act).

(1) A holder of a design right or an exclusive licensee may demand of a person who infringes or is likely to infringe the design right or exclusive license to stop or prevent such infringement.

(2) In making a demand under the preceding paragraph, the holder of a design right or an exclusive licensee may demand measures necessary for the prevention of such infringements including the disposal of articles, buildings or graphic images (including a computer program, etc. that has a function to display the graphic image; the same shall apply hereinafter except in Articles 64 and 65(i) ) or a recording medium that has recorded the graphic image or a device incorporating the graphic image (hereinafter referred to as a "general graphic image recording medium, etc."), or a computer program, etc. (except for a computer program, etc. that have a function to display the graphic image; the same shall apply hereinafter) or a recording medium that has recorded computer program, etc. or a device recording computer program, etc. (hereinafter referred to as a "recording medium, etc. containing computer program, etc.") constituting such an act of infringement and the removal of the facilities used for the act of infringement.

(3) With regard to a design for which secrecy is requested under Article 14(1), the holder of design right or the exclusive licensee may not make a demand under paragraph (1) unless he/she has given warning with documents stating the matters listed in Article 20(3) and certified by the Commissioner of the Patent Office.

## 2. Act of infringement

A holder of a design right has the exclusive right to work the registered design and designs similar thereto as a business (Article 23 of the Design Act). Therefore, the act of a person other than a holder of a design right to work the registered design and designs similar thereto as a business is an act of infringement.

The acts of working a design are as follows (Article 2 (2) of the Design Act).

(i) Manufacturing, using, assigning, leasing, exporting or importing, or offering for assignment or lease (including displaying for the purpose of assignment or lease, the same shall apply hereinafter) of the article to the design;

(ii) Building, using, assigning or leasing, or offering for assignment or lease of the building to the design;

(iii) Acts falling under any of the following performed for the graphic image to the design (including a computer program, etc. (refers to a computer program, etc. provided in Article 2(4) of the Patent Act (Act No.121 of 1959); the same shall apply hereinafter) that has a function to display the graphic image and the same shall apply in the following items);

(a) Creating, using, or providing through an electric telecommunication line or offering for the provision (including displaying for the purpose of provision, the same shall apply hereinafter) of the graphic image to the design;

(b) Assigning, leasing, exporting or importing, or offering for assignment or lease of a recording medium that has recorded the graphic image to the design or a device incorporating the graphic image to the design (hereinafter referred to as a "graphic image recording medium, etc.");

## 3. Act Deemed to constitute infringement (indirect infringement)

The following acts are deemed to constitute infringement of a design right or an exclusive license:

(i) Acts falling under any of the following that are conducted with regard to any article, or computer program, etc. or recording medium, etc. containing computer program, etc., to be used exclusively for the manufacturing of the article to the registered design or a design similar thereto as a business:

(a) acts of manufacturing, assigning, leasing, or importing, or offering for assignment or lease of any article or recording medium, etc. containing computer program, etc. to be used exclusively for the manufacturing;

(b) acts of creating any computer program, etc. to be used exclusively for the manufacturing, or providing it through an electric telecommunication line or offering for the provision;

(ii) Acts falling under any of the following that are conducted with regard to any article, or computer program, etc. or recording medium, etc. containing computer program, etc., to be used for the manufacturing of the article to the registered design or a design similar thereto (excluding cases where these are widely distributed within Japan), which are indispensable for an aesthetic impression that the registered design or a design similar thereto would create through the eye, as a business, with knowledge that the design is a registered design or a design similar thereto and that the article or computer program etc., or the recording medium etc. containing computer program, etc., is used for the working of the design:

(a) acts of manufacturing, assigning, leasing, or importing, or offering for assignment or lease of any article or the recording medium, etc. containing computer program, etc. to be used for the manufacturing;

(b) acts of creating any computer program, etc. to be used for the manufacturing, or providing it through an electric telecommunication line or offering for the provision;

(iii) Acts of possessing an article to the registered design or a design similar thereto for the purpose of assigning, leasing or exporting it as a business;

(iv) Acts falling under any of the following that are conducted with regard to any article, or computer program, etc. or recording medium, etc. containing computer program, etc., to be used exclusively for the building of the building to the registered design or a design similar thereto as a business:

(a) acts of manufacturing, assigning, leasing, or importing, or offering for assignment or lease of any article or recording medium, etc. containing computer program, etc. to be used exclusively for the building;

(b) acts of creating any computer program, etc. to be used exclusively for the building, or providing it through an electric telecommunication line or offering for the provision;

(v) Acts falling under any of the following that are conducted with regard to any article, or computer program, etc. or the recording medium, etc. containing computer program, etc., to be used for the building of the building to the registered design or a design similar thereto (excluding cases where these are widely distributed within Japan), which are indispensable for an aesthetic impression that the registered design or a design similar thereto would create through the eye, as a business, with knowledge that the design is a registered design or a design similar thereto and that the article, or computer program etc. or the recording medium etc. containing computer program, etc., is used for the working of the design:

(a) acts of manufacturing, assigning, leasing, or importing, or offering for assignment or lease of any article or recording medium, etc. containing computer program, etc. to be used for the building;

- (b) acts of creating any computer program, etc. to be used for the building, or providing it through an electric telecommunication line or offering for the provision;
- (vi) Acts of owning a building to the registered design, or a design similar thereto for the purpose of assigning or leasing it as a business;
- (vii) Acts falling under any of the following that are conducted with regard to any article, or graphic image or general graphic image recording medium, etc., or computer program, etc. or recording medium, etc. containing computer program, etc., to be used exclusively for the creating of the graphic image to the registered design or a design similar thereto as a business:
  - (a) acts of manufacturing, assigning, leasing, or importing, or offering for assignment or lease of any article or general graphic image recording medium, etc., or recording medium, etc. containing computer program, etc., to be used exclusively for the creating;
  - (b) acts of creating any graphic image or computer program, etc. to be used exclusively for the creating, or providing it through an electric telecommunication line or offering for the provision;
- (viii) Acts falling under any of the following that are conducted with regard to any article, graphic image or general graphic image recording medium, etc., or computer program, etc. or the recording medium, etc. containing computer program, etc., to be used for the creating of the graphic image to the registered design or a design similar thereto (excluding cases where these are widely distributed within Japan), which are indispensable for an aesthetic impression that the registered design or a design similar thereto would create through the eye, as a business, with knowledge that the design is a registered design or a design similar thereto and that articles, graphic images or general graphic image recording medium, etc., or computer program, etc. or the recording medium, etc. containing computer program, etc., is used for the working of the design:
  - (a) acts of manufacturing, assigning, leasing, or importing, or offering for assignment or lease of any article or general graphic image recording medium, etc., or recording medium, etc. containing computer program, etc., to be used exclusively for the creating;
  - (b) acts of creating any graphic image or computer program, etc. to be used for the creating, or providing it through an electric telecommunication line or offering for the provision;
- (ix) Acts of holding a graphic image to the registered design or a design similar thereto for the purpose of providing it through an electric telecommunication line as a business, or acts of possessing a graphic image recording medium, etc. to the registered design or a design similar thereto for the purpose of assigning, leasing, or exporting it as a business.

### **KIPO**

Article 113 (Rights to Prohibit Infringement, etc.) (1) provides that the owner of a design right or an exclusive licensee may file a claim for injunction for, or prevention of, infringement against a person who infringes or is likely to infringe his/her rights.

Article 113 (3) provides that when the owner of a design right or an exclusive licensee files a claim under paragraph (1), he/she may seek the destruction of infringing articles, the removal of facilities provided for infringement, and other actions necessary for the prevention of infringement.

## USPTO

35 U.S. Code §283 provides that “[t]he several courts having jurisdiction of cases under this title may grant injunctions in accordance with the principles of equity to prevent the violation of any right secured by patent, on such terms as the court deems reasonable.”

Injunctive relief is provided on a case-by-case basis. In particular, the patent proprietor must demonstrate that (1) it has suffered an irreparable injury; (2) remedies available at law, such as monetary damages, are inadequate to compensate for that injury; (3) considering the balance of hardships between the patent proprietor and adjudicated infringer, a remedy in equity is warranted; and (4) the public interest would not be disserved by an injunction.

Various forms of equitable and/or injunctive remedies are available under US law including temporary restraining orders, preliminary injunctive measures, and permanent injunctive relief.

## **QUESTION II.A.2 - Who has the authority to grant injunctive relief? Judicial courts? Administrative agencies? Others?**

### CNIPA

According to the Article 179 of the “Civil Code of the People’s Republic of China”, the Article 100 and Article 101 of “Civil Procedure Law of the People's Republic of China”, and the Article 65 and 72 of the “Patent Law of the People’s Republic of China”, the administrative authority for patent affairs may order the infringer to stop the infringing act immediately. The people’s court may order for stopping the relevant acts before instituting legal proceedings, and the court may order the Cessation of infringement in a judicial decision.

### EUIPO

The competent judicial authorities of the Member States (depending on the case Community design courts or national courts not sitting as a Community design court) have the authority to grant injunctive relief.

The EUIPO only has competence relating to invalidating a registered design right, but does not grant injunctive relief. The enforcement of the rights against potential infringer can be sought only before national authorities, albeit the claim may extend to the entire EU on the substance.

### JPO

For an act of infringement of a design right, it is possible to seek injunction of an act of infringement, etc. as a relief by a civil procedure in a court.

### KIPO

Injunctive relief is issued by judicial courts.

### USPTO

Injunctive relief is primarily issued by judicial courts in civil procedures. The United States International Trade Commission (USITC) also has the authority to grant injunctive relief through cease-and-desist and limited and general exclusion orders.

**QUESTION II.A.3 - Please explain the requirements and details for the injunction remedies listed above.**

**CNIPA**

About “the administrative authority for patent affairs order the infringer to stop the infringing act”, the Article 65 of “Patent Law of the People’s Republic of China” regulates that: “Where a dispute arises as a result of the exploitation of a patent without the authorization of the patentee, that is, the infringement of the patent right of the patentee, it shall be settled through consultation by the parties. Where the parties are not willing to consult with each other or where the consultation fails, the patentee or any interested party may institute legal proceedings in the people’s court, or request the administrative authority for patent affairs to handle the matter. When the administrative authority for patent affairs handling the matter considers that the infringement is established, it may order the infringer to stop the infringing act immediately. If the infringer is not satisfied with the order, he may, within 15 days from the date of receipt of the notification of the order, institutes legal proceedings in the people’s court in accordance with the Administrative Procedure Law of the People’s Republic of China. If, within the said time limit, such proceedings are not instituted and the order is not complied with, the administrative authority for patent affairs may approach the people’s court for compulsory execution. The said authority handling the matter may, upon the request of the parties, mediate in the amount of compensation for the damage caused by the infringement of the patent right. If the mediation fails, the parties may institute legal proceedings in the people’s court in accordance with the Civil Procedure Law of the People’s Republic of China.”

About preservative measure (preliminary injunction), the Article 100 and Article 101 of the “Civil Procedure Law of the People's Republic of China”, and the Article 72 of the “Patent Law of the People’s Republic of China” regulates that:

Article 100 (“Civil Procedure Law of the People's Republic of China”): For a case where, for the conduct of a party or for other reasons, it may be difficult to execute a judgment or any other damage may be caused to a party, a people's court may, upon application of the opposing party, issue a ruling on preservation of the party's property, order certain conduct of the party or prohibit the party from certain conduct; and if no party applies, the people's court may, when necessary, issue a ruling to take a preservative measure.

A people's court may order the applicant to provide security for taking a preservative measure and, if the applicant fails to provide security, shall issue a ruling to dismiss the application. After accepting an application, a people's court must, if the circumstances are urgent, issue a ruling within 48 hours; and if it rules to take a preservative measure, the measure shall be executed immediately.

Article 101 (“Civil Procedure Law of the People's Republic of China”): Where the lawful rights and interests of an interested party will be irreparable damaged if an application for preservation is not filed immediately under urgent circumstances, the interested party may, before instituting an action or applying for arbitration, apply to the people's court at the place where the property to be preserved is located or at the place of domicile of the respondent or a people's court having jurisdiction over the case for taking preservative measures. The applicant shall provide security and, if the applicant fails to provide security, the people's court shall issue a ruling to dismiss the application.

After accepting an application, a people's court must issue a ruling within 48 hours; and if it rules to take a preservative measure, the measure shall be executed immediately.

Where the applicant fails to institute an action or apply for arbitration in accordance with law within 30 days after the people's court takes a preservative measure, the people's court shall remove preservation.

Article 72 (“Patent Law of the People’s Republic of China”):Where any patentee or interested party has evidence to prove that another person is infringing or will soon infringe its or his patent right or hinders the realization of the right, and that if such infringing act is not checked or prevented from occurring in time, it is likely to cause irreparable harm to it or him, it or he may, before any legal proceedings are instituted, petition the people's court to adopt measures for property preservation, order certain actions, or prohibit certain actions in accordance with the law.

## **EUIPO**

Depending on the specific preliminary injunctive relief sought and depending on the national procedural law, the requesting party may be required to:

- present reasonably available evidence to support its claims for infringement;
- lodge adequate securities or equivalent assurances intended to ensure compensation for any prejudice suffered by the defendant;
- institute within a reasonable period proceedings leading to a decision on the merits;
- demonstrate circumstances likely to endanger the recovery of damages;
- present a justified and proportionate request.

In appropriate cases, the measures may be taken without the defendant having been heard.

For more details regarding which specific requirements are applicable for each specific preliminary injunctive relief, such as for example orders for preserving evidence, providing information, preventing or stopping infringement and delivery up of goods suspected to infringe (injunctions), please see Articles 7, 8 and 9 of Directive No. 2004/48/EC. See also Article 90 (1) CDR, which does not establish a separate set of provisional measures, but adopts the provisional measures already available in each member state in relation to national design rights. See also Article 91(3) CDR.

Permanent injunctive relief (after a full case on the merits is heard):

The Community design regulation foresees the creation of Community Design Courts, which are national courts and tribunals of first and second instance designated by the Member States in their territories, and which perform the functions assigned to them by the Regulation

If a national Community Design Court finds that there is infringement, then, under Article 89 CDR, the court shall order certain measures unless when there are special reasons for not doing so. The primary remedy for infringement of Community designs is an order prohibiting the defendant from acts (injunction) which have infringed or would infringe the rights of the

applicant. Although the requirement to issue such injunction is a Community law requirement (Article 89 CDR), the form of the injunction is to be determined by national law.

Under Directive No. 2004/48/EC:

- corrective measures, such as recall or definitive removal from the channels of commerce or destruction, shall in principle be carried out at the expense of the infringer. In considering a request for such corrective measures, the need for proportionality as well as the interests of third parties shall be taken into account.
- injunction aimed at prohibiting the continuation of the infringement shall be ordered, unless when there are special reasons for not doing so (comparable with Article 89 CDR).

Member States may provide that pecuniary compensation can be paid instead of applying corrective measures or injunctions resulting from a decision on the merits. In such a case, the infringer must have acted unintentionally and without negligence and it must also be that it would otherwise cause disproportionate harm to the infringer and the pecuniary compensation must appear reasonably satisfactory to the injured party.

For more details regarding specific requirements for injunctive relief resulting from a decision on the merits of the case, please see Article 89 CDR for prohibition orders and any other orders which seem appropriate according to national law. Please see also Article 10, 11 and 12 of Directive No. 2004/48/EC.

Member State law injunctive relief:

In accordance with EU law, Member States may also apply other appropriate sanctions/measures (injunctions) in cases where intellectual property rights have been infringed.

### **JPO**

The forms of injunction against an act of infringement of a design right are as follows (Article 37 of the Design Act).

1. Demand of a person who infringes a design right or an exclusive license to stop the infringement.
2. Demand of a person who is likely to infringe a design right or an exclusive license to prevent the infringement.
3. Demand of measures necessary for the prevention of the infringement including the disposal of products constituting the act of infringement and the removal of facilities used for the act of infringement.

Of these, the form 3 can only be demanded with the form of 1 or 2. In making an injunction demand, it is not a requirement that the infringer committed the infringement with intent or negligence. Where details of a registered design are not disclosed in the design gazette since the infringed registered design is a secret design, its injunction can be demanded only after showing the registered design details and warning to a person who infringes or is likely to infringe a design right or an exclusive license (Article 37(3) of the Design Act).



The court decides whether the case constitutes an infringement of rights based on the assertions and evidence submitted by the plaintiff and the defendant, and then renders a judgment order for injunction of manufacture, import, distribution and other acts.

### **KIPO**

Article 113 (2) provides that the owner of a design right or an exclusive licensee, who made a request to keep the relevant design confidential under Article 43 (Secret Designs) (1), cannot file a claim under Article 113 (1), unless he/she issue a warning by presenting a document certified by the Commissioner of the Korean Intellectual Property Office on the following matters regarding the design, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy:

1. The name and domicile (or the name and principal place of business, if the claimant is a corporation) of the design right-holder or the exclusive licensee (applicable only where an exclusive licensee files a claim);
2. The serial number and date of an application for design registration;
3. The design registration number and the date of registration;
4. Details of drawings, photographs, or specimens accompanying the application of design registration.

### **USPTO**

For a Temporary Restraining Order, the patent owner would need to prove specific facts to show that the infringement would cause immediate and irreparable losses before the court would have an opportunity to receive briefs from both sides and conduct a hearing. While Rule 65(b) of the Federal Rules of Civil Procedure does not explicitly require a plaintiff to show that they are likely to prevail, this type of showing would probably be needed to prevail.

The United States Supreme Court has issued a series of cases establishing the balancing test required to be satisfied for preliminary and permanent injunctions. For preliminary injunctions, *Winter v. Natural Res. Def. Counsel Inc.*, established the standard four-prong test for preliminary injunctions. The plaintiff must show that (1) it is likely to succeed on the merits; (2) it is likely to suffer irreparable harm in the absence of preliminary relief; (3) that the balance of the equities tips in the patentee's favor; and (4) that an injunction is in the public interest.

The test applied by Courts in determining whether or not to issue an injunction in a design patent case is not distinct from the test applied in other areas of U.S. law generally. *Ebay vs. MercExchange*. There, the Supreme Court provided that injunctions could not be automatically granted in patent cases and that to receive a permanent injunction as in other areas of law, the plaintiff must show (1) that it has suffered an irreparable injury; (2) that remedies available at law are inadequate to compensate for that injury; (3) that the balance of hardships between the parties warrants a remedy in equity; and (4) that the public interest would not be disserved by a permanent injunction.

**QUESTION II.A.4 - Are the injunctions appealable? To whom are they appealable?**

### CNIPA

Yes. It is appealable to the court at the next higher level.

For those orders issued by the administrative authority for patent affairs for the infringer to stop the infringing act according to Article 65 of the "Patent Law of the People's Republic of China", If the infringer is not satisfied with the order, he may, within 15 days from the date of receipt of the notification of the order, institutes legal proceedings in court.

### EUIPO

See Article 92 CDR.

Appeals shall lie from first instance Community design courts to second instance Community design courts in those areas where Community design courts have exclusive jurisdiction (claims under Article 81 CDR). When an appeal relates, however, to another issue, being not in respect of proceedings arising from an Article 81 claim, then it will not be for a Community design court. Regarding provisional measures (i.e. preliminary injunctions before full merits), Article 92 CDR does not provide for appeals, meaning that such appeals will, therefore, be determined according to national law of the Member States. In any case, appeal procedures are governed by national law. Whether or not there is a further appeal from a second instance Community design court is also a matter of national law.

Additional information: Regarding provisional and precautionary measures as referred to in Article 7 and 9 of the enforcement Directive No. 2004/48/EC, a review, including a right to be heard, shall take place upon request of the defendant. The concrete specification of such rights is, again, in the competence of each individual Member State.

### JPO

The judgment of the district court is appealable to the High Court. Additionally, the judgment of the High Court is appealable to the Supreme Court.

### KIPO

Yes. it is appealable to a High Court and ultimately it could be appealed to the Supreme Court of Korea.

### USPTO

Yes. Whether the case is brought in one of the federal district courts or through the USITC, it is appealable to the Court of Appeals for the Federal Circuit by right and ultimately it could be appealed to the United States Supreme Court.

**QUESTION II.A.5 - How are the injunctions enforced and by what governmental entity? Courts, customs officials, etc.?) Are there any measures (such as bonds etc.) that the design owner must take in order to enforce the injunction.**

### **CNIPA**

According to the Article 100 and Article 101 of “Civil Procedure Law of the People's Republic of China”, and the Article 72 of the “Patent Law of the People’s Republic of China”, the people’s court may order the infringer to stop the infringing act.

According to the “Regulation of the People's Republic of China on the Customs Protection of Intellectual Property Rights”, the Article 23 regulates that:

“The customs shall provide assistance if receiving relevant notice of the people's court on assisting in ordering to stop the infringing acts or in taking property preservation”. So the Customs could assist the people’s court to enforce the order for stopping the infringing acts or in taking property preservation.

According to the Article 100 and Article 101 of “Civil Procedure Law of the People's Republic of China”:

For preservative measure applied or issued during the action, a people's court may order the applicant to provide security for taking a preservative measure and, if the applicant fails to provide security, shall issue a ruling to dismiss the application.

For preservative measure applied before instituting an action, the applicant shall provide security and, if the applicant fails to provide security, the people's court shall issue a ruling to dismiss the application.

### **EUIPO**

Injunctions are enforced according to national Member State laws and through national authorities. The competent Community design court must take measures in accordance with national law to ensure that its orders are complied with (Article 89(2) CDR). Therefore, Member States are allowed to take different approaches. However, Article 11 of Directive No. 2004/48/EC states that, where national law provides for injunctions aimed at prohibiting the continuation of the infringement, non-compliance with an injunction shall, where appropriate, be subject to a recurring penalty payment, with a view to ensuring compliance.

### **JPO**

Civil execution shall be carried out by a court or a court execution officer upon petition. (Article 2 of the Civil Execution Act)

The details of the enforcement are out of the jurisdiction, so no answer is given.

However, in the case of the preliminary injunction order of Answer II.A.1, the applicant may be ordered by the court to provide a security deposit because damage is likely to be incurred by the party which is subject to the preliminary injunction.

### **KIPO**

Injunctions issued by courts are enforced by a law enforcement officer.

### **USPTO**

Injunctions issued by courts are enforced by their power of contempt of court.

## **B. Seizure of Goods**

If the equitable remedy is injunctive relief through an exclusion and/or cease-and-desist orders from the USITC, it is enforced at the border by US Customs and Border Patrol.

**QUESTION II.B.1 - Is “seizure of goods” an available remedy in your jurisdiction for design infringement?**

**CNIPA**

According to the “Customs Law of the People's Republic of China”, the Article 91 regulates that: “The importation and exportation of goods in violation of intellectual rights protected by the law and administrative regulations of the People's Republic of China shall be sanctioned by the Customs by confiscating the goods and imposing a fine; Criminal liabilities shall be taken in case of a crime.”

**EUIPO**

Yes.

According to Article 7 and 9 of Directive 2004/48/EC, Member States shall ensure that the judicial authorities may at the request of the applicant order the seizure of goods so as to preserve evidence, prevent their entry into or movement within the channels of commerce or if the recovery of damages by the injured party would otherwise be endangered.

Seizure of goods is also available under the EU Customs Regulation (EU) No 608/2013.

**JPO**

Provisions similar to the “seizure” stipulated in the Anti-Counterfeiting Trade Agreement (ACTA), etc. are not stipulated in provisions of the Design Act.

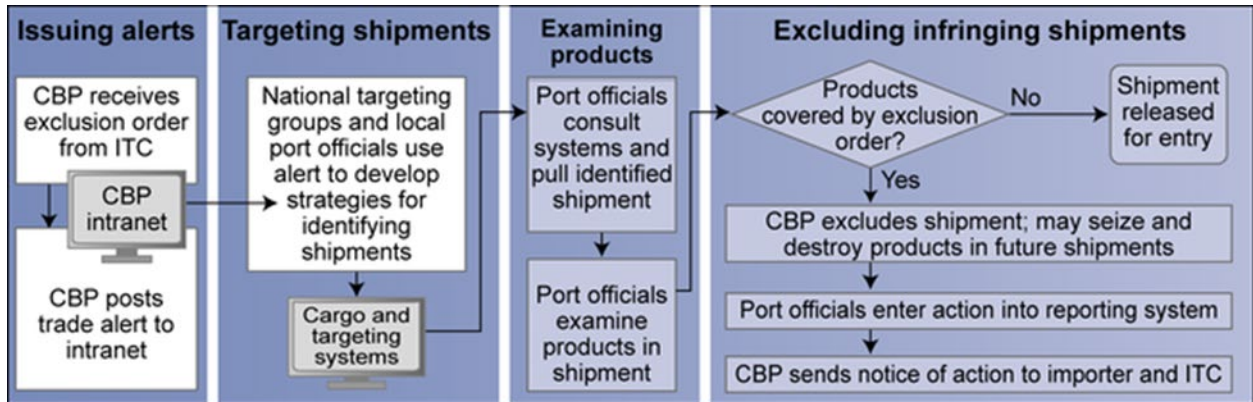
Under Article 69-11 of the Customs Act, goods that infringe intellectual property are stipulated as goods which are prohibited to be imported along with narcotics, stimulants, hand-guns, and counterfeit currencies, etc. And goods that infringe design rights are prohibited to be imported. Customs use the information on the application for import suspension from its right holders, etc., for the above-mentioned goods to implement effective border control.

**KIPO**

Seizure of goods is an available remedy in Korea for design infringement.

**USPTO**

Yes. U.S. Customs Border Patrol (CBP) enforces design patents through the enforcement of exclusion orders issued by the USITC. (See below chart regarding USITC exclusion orders and CBP seizures.) Additionally, seizure of infringing goods may also be among the remedies issued in a design patent litigation in federal court.



Source: GAO analysis of CBP documents and interviews with CBP officials. | GAO-15-78 CBP U.S. Customs and Border Protection  
ITC U.S. International Trade Commission

**QUESTION II.B.2 - Is seizure of goods only available with respect to goods being imported or is seizure of goods also an available remedy for infringing products produced domestically?**

**CNIPA**

Seizure of goods is available for both.

Article 91 of “Customs Law of the People’s Republic of China” regulates that:

“The importation and exportation of goods in violation of intellectual rights protected by the law and administrative regulations of the People’s Republic of China shall be sanctioned by the Customs by confiscating the goods and imposing a fine; Criminal liabilities shall be taken in case of a crime.”

**EUIPO**

Seizure of goods is available for both.

**JPO**

In addition to Answer II.B.1, under Article 69-2 of the Customs Act, goods that infringe design rights are stipulated as goods which are prohibited to be exported, and a right holder can file an application for export suspension at Customs.

**KIPO**

Seizure of goods is available for goods being imported and infringing products produced domestically.

**USPTO**

Seizure of goods is most widely available for goods being imported. The ITC is not a federal court and as a quasi-judicial body only has specific jurisdiction relating to import injuries. Additionally, federal judicial courts have the authority to seize goods as part of an injunction.

**QUESTION II.B.3 - Who are the appropriate officials to implement the seizure of goods?**

### CNIPA

As described in Answers II.B.1, Customs have been implementing the seizure of goods.

### EUIPO

Member States customs authorities and competent judicial authorities of Member States.

### JPO

As described in Answers II.B.1 and 2, Customs have been implementing border control.

### KIPO

An officer or an agent of National Police Agency, Korea Customs Service and Intellectual Property Police of KIPO can seize the good. To seize the goods, they must obtain a warrant issued by judicial courts.

### USPTO

When the International Trade Commission issues seizure and forfeiture orders, U.S. Customs and Border Patrol (CBP) typically seizes the good. If a federal court issues the order, the United States Marshall Service is the law enforcement agency that enforces the order on behalf of the federal judiciary.

**QUESTION II.B.4 - How are the appropriate officials notified of the design right? For example, is there a registry or database that the officials reference as they are analyzing shipments or goods?**

### CNIPA

This is related to Customs, and no answer is given for out of the jurisdiction.

### EUIPO

In case of court proceedings initiated by the applicant:

The judicial authority is notified by the applicant.

In case of shipments of cargo/goods:

According to EU Customs Regulation 608/2013, rights holders need to file a customs Application for Action (AFA) that contains all the necessary information the officials to detain IPR (in this case design) infringing goods: the product IPR/design and contact information.

In case of suspected counterfeits, the EU Customs Regulation (EU) No 608/2013 offers two types of customs action:

- ex officio action (accounting for 2% of EU-wide customs actions in 2016) – AFA filed ex-post; and
- an action based on:
  - an earlier filed Union AFA based on EU-wide registered IP rights such as registered Community designs; or
  - one or multiple parallel national AFAs.

In the Union AFA, the rights holders decides in which Member States the AFA shall be applicable.

In addition, and in particular for internal market forces, such as Police, rights holders can create an account in the IP Enforcement Portal (IPEP) uploading their product, IPR/design and contact information. This tool also allows for the electronic filing of AFAs.

### **JPO**

This is related to the inside of Customs and out of the jurisdiction, so no answer is given.

### **USPTO**

U.S. Customs and Border Patrol (CBP) has an Automated Commercial System (ACS) with an Intellectual Property Right Recordation Module (IPRR) for accessing exclusion orders of design rights. The registration module can be found here: <https://iprr.cbp.gov/>

With regard to federal court orders, the United States Marshall Service is notified of the order and charged with its enforcement.

**QUESTION II.B.5 - Is there a mechanism for the design right owner or a third party to provide information to the appropriate officials responsible for seizing goods that certain goods are believed to infringe design rights?**

### **CNIPA**

This is related to Customs, and no answer is given for out of the jurisdiction.

### **EUIPO**

In addition to the Customs Application for Action, that are mandatory for Customs to be able to detain IPR infringing goods at the EU border, rights owners can send Alerts through the IP Enforcement Portal (IPEP) to provide information to customs and internal market forces.

### **JPO**

As described in Answers II.B.1 and 2, Customs use the information on the application for import or export suspension to implement effective border control.

### **USPTO**

The exclusionary order process is available for design rights owners and/or a third party to notify officials of the infringement of design rights. However, there is not a mechanism for design right owners and/or a third party to notify CBP of goods believed to be infringing design patent rights in the United States, an ITC or federal court order instead must be sought.

**QUESTION II.B.6 - What is done with the goods once they are seized? Are they destroyed, distributed as charity, etc?**

**CNIPA**

This is related to Customs, and no answer is given for out of the jurisdiction.

**EUIPO**

The detention of goods by customs can result in the destruction thereof under the procedures pursuant to Customs Regulation (EU) No 608/2013 (See Article 23 and 26).

There may also be an early release of the goods, pursuant to Article 24 of Customs Regulation (EU) No 608/2013.

The goods may also have to be dealt with pursuant to national criminal procedures.

**JPO**

This is related to the inside of Customs and out of the jurisdiction, so no answer is given.

**KIPO**

The seized goods are destroyed.

**USPTO**

21 U.S.C 853 permits seized goods to be destroyed, sold and/or donated, used by government agencies.

**QUESTION II.B.7 - Can the decision to seize goods be appealed? If yes, how and what is the process?**

**CNIPA**

This is related to Customs, and no answer is given for out of the jurisdiction.

**EUIPO**

Article 9 of the Customs Regulation (EU) No 608/2013 states that the competent customs department shall notify the applicant of its decision granting or rejecting the application within 30 working days of the receipt of the application. In the event of rejection, the customs department shall provide reasons for its decision and include information on the appeal procedure.

**JPO**

This is related to the inside of Customs and out of the jurisdiction, so no answer is given.

**KIPO**

The decision to seize goods can be appealed to judicial courts. It is conducted in criminal procedure.

**USPTO**

**ITC exclusion order**

To object to an actual exclusion by Customs, importers must file a protest under 19 C.F.R. § 174 within 180 days of the denial. Customs will then review its initial decision and issue a final



decision within 30 days. If Customs maintains its denial, the importer can appeal the decision to the CIT within 180 days. See, e.g., *Corning Gilbert v. U.S.*, 896 F. Supp. 2d 1281 (Ct. Int'l Trade 2013) (reversing decision by Customs denying importation of coaxial cable connectors due to an exclusion order from Inv. 337-TA-650).

An adverse decision by Customs can be appealed to the Court of International Trade (CIT) and then to the Federal Circuit. See 28 U.S. Code §§ 1581(a)&(h); 28 U.S. Code § 1295(a)(5). While technically not an appeal, the President may override an exclusion order as part of a final review process. See 19 U.S.C §§ 1337(j)

#### Order by federal court

Like other federal court decisions, a seizure order can be appealed to an appellate court.

### **III. Damages**

**In this section, we are interested in learning about each of the potential theories or claims for damages that could be made in your jurisdiction when enforcing (e.g., litigating in court) design rights and how the amount of damages is calculated by the judicial body/jury in making that determination. (To the extent helpful, in contrast to an “injunction” which is a prohibition on behavior, the term “damages” is being used here to mean any monetary payment or sum which can include restitution for unjust enrichment and compensation claims.)**

#### **QUESTION III.1**

- a) Does your jurisdiction provide for compensatory damages?**
- b) How are compensatory damages amounts determined or calculated?**
- c) Are there any limits, special requirements or constraints relating to compensatory damages?**

#### **CNIPA**

According to the “Patent Law of the People’s Republic of China”, Article 71.1 and 71.3 regulates that:

“The amount of compensation for the damage caused by the infringement of the patent right shall be assessed on the basis of the actual losses suffered by the right holder because of the infringement or the profits the infringer has earned because of the infringement. Where it is difficult to determine the losses the right holder has suffered or the profits the infringer has earned, the amount may be assessed by reference to the appropriate multiple of the amount of the exploitation fee of that patent under a contractual license.”

“The amount of compensation for the damage shall also include the reasonable expenses of the right holder incurred for stopping the infringing act.”

#### **EUIPO**

It is recalled that there is a parallel designs protection system in the EU. Design protection can be granted at the level of the individual Member States, and at the level of the EU through the EUIPO.

To a certain extent, the national laws of the Member States are harmonized through EU-wide directives. It is, however, on the Member States to comply with such directives. In particular, the national procedural law is not harmonized in all areas. The following, is therefore an attempt to outline general principles

a) Under Article 13 of Directive No. 2004/48/EC, the injured party may receive compensatory damages.

Article 12 of the same Directive also provides a mechanism where Member States may provide alternative measures, such as pecuniary compensation (compensatory damages) to the injured party, instead of ordering corrective measures or injunctions.

b) How compensatory damages amounts are determined or calculated, depend on whether the infringer acted (i) knowingly or with reasonable grounds to know or (ii) unknowingly, or without reasonable grounds to know.

If the infringer knowingly, or with reasonable grounds to know, engaged in an infringing activity, judicial authorities of the Member States can order on application of the injured party the infringer to pay damages appropriate to the actual prejudice suffered as a result of the infringement. When doing so, the judicial authority setting the damages: shall consider all appropriate aspects, such as negative economic consequences, including lost profits, which the injured party has suffered, any unfair profits made by the infringer and, in appropriate cases, elements other than economic factors, such as the moral prejudice caused to the rightsholder by the infringement; as an alternative, they may, in appropriate cases, set the damages as a lump sum on the basis of elements such as at least the amount of royalties or fees which would have been due if the infringer had requested authorization to use the intellectual property rights in question.

If the infringer did not knowingly, or without reasonable grounds to know, engaged in an infringing activity, Member States may lay down that the judicial authorities may order the recovery of profits or the payment of damages, which may be pre-established.

c) See answer under b.

### **JPO**

a) A claim for compensation for loss or damage which is granted if there is an infringement of the design right will be based on torts (Article 709 of the Civil Code) as the same as general infringement of property rights.

b) Under the Design Act, ways to calculate the amount of damage are stipulated as follows.

< Ways to calculate the amount of damage according to Article 39(1) of the Design Act >

Where the infringer assigned articles that composed the act of infringement, the amount of damages sustained by the holder of the design right or the exclusive licensee may be presumed to be the amount of profit per each unit of article which would have been sold by the holder of the design right or the exclusive licensee if there had been no such act of infringement, multiplied by the quantity assigned by the infringer, the maximum of which is the amount attainable by the holder of the design right or the exclusive licensee in light of the capability of the holder of the

design right or the exclusive licensee to work the articles; provided, however, that if any circumstances exist under which the holder of the design right or the exclusive licensee would have been unable to sell the assigned quantity in whole or in part, the amount calculated as the number of articles not able to be sold due to these circumstances will be deducted.

However, for a partial design in which only part of the article is subject to the design right, there arises a problem of the contribution rate to the damage amount according to the ratio of the partial design.

<Ways to calculate the amount of damage according to Article 39(2) of the Design Act >  
Where the infringer earned profits from the act of infringement, the amount of profits earned by the infringer is presumed to be the amount of damages sustained by the holder of the design right or exclusive licensee. However, in this case as well, there is a possibility that the presumption may be overturned by the infringer's contrary evidence of competitive products, etc. In addition, for a partial design, there arises a problem of the contribution rate.

<Ways to calculate the amount of damage according to Article 39(3) of the Design Act >  
A holder of a design right or an exclusive licensee may claim against an infringer compensation for damages equivalent to its license fee. In the case of a partial design, there arises a problem of the contribution rate.

c) The claim for compensation for loss or damage caused by tort is extinguished by prescription if the right is not exercised; within three years from the time when the victim or legal representative thereof comes to know the damage and the identity of the perpetrator and; within 20 years from the time of the tortious act (Article 704 of the Civil Code).

### **KIPO**

a) Civil Law Article 750 (A Claim of compensation for damages) provides that an owner of design rights or an exclusive licensee may request a person who has intentionally or negligently infringed upon those rights to compensate civil damages.  
Design Protection Act Article 115 (Estimation of Damages) provides that a person who has infringed upon design rights or an exclusive license of another person is presumed to have been negligent regarding such act of infringement.

b) & c) Design Protection Act Article 115 provides that

(1) Where the owner of a design right or an exclusive licensee claims compensation for any loss inflicted upon him/her against a person who infringed the design right or exclusive license by intention or negligence and the infringing person transferred the products that constituted the infringement to third parties, the amount of the loss that the claimant has sustained may be calculated by multiplying the quantity of the products so transferred by the profit per unit of the products that the design right-holder or the exclusive licensee could have sold if not for the infringement.

(2) The amount of damages calculated under paragraph (1) shall not exceed the amount calculated by multiplying the quantity of products that the design right-holder or exclusive licensee could have produced, less the quantity of products actually sold, by the profit per unit:

Provided, That the quantity of products that the design right-holder or exclusive licensee could not sold due to any cause or event, other than the infringement, shall be subtracted therefrom, if such cause or event, in addition to the infringement, prevented the design right-holder or exclusive licensee from selling the products.

(3) Where a design right-holder or an exclusive licensee claims compensation for any loss incurred by a person who infringed the design right or exclusive license by intention or negligence, the profits that the infringing person gained by infringement, if any, shall be deemed equivalent to the loss that the design right-holder or exclusive licensee has sustained.

(4) Where a design right-holder or an exclusive licensee claims compensation for any loss incurred by a person who infringed the design right or exclusive license by intention or negligence, the design right-holder or the exclusive licensee may claim the amount that he/she would usually receive for working the registered design as the loss that he/she sustained.

(5) Notwithstanding the provisions of paragraph (4), the amount by which the damages exceed the amount specified in the aforesaid paragraph may be also claimed as damages. In such cases, the court may consider the fact that the absence of intention or gross negligence on the part of a person who infringed the design right or exclusive license in determining damages.

(6) If the court finds in a lawsuit for infringement on a design right or exclusive license that the loss has been incurred by infringement but it is impracticable to find the facts necessary for proving the damages in light of the nature of relevant facts, it may award reasonable damages based on the summation of all arguments and the results of examination of evidence, notwithstanding the provisions of paragraphs (1) through (5).

### USPTO

Yes.

The patentee may seek damages (e.g., “reasonable royalty”) under 35 U.S. Code § 284-287 or under 35 U.S. Code § 289 for the “total profits” on the sale of the article which is a remedy specific for the infringement of design patents. The statutory remedies identified below provide relief in the form of both compensatory and punitive relief.

### **QUESTION III.2 –**

**a) Does your jurisdiction provide for statutory damages?**

**b) How are statutory damages amounts determined or calculated?**

**c) Are there any limits, special requirements or constraints relating to statutory damages?**

### CNIPA

According to the “Patent Law of the People’s Republic of China”, Article 71.2 regulates that: “Where it is difficult to determine the losses suffered by the right holder, the profits the infringer has earned and the exploitation fee of that patent under a contractual license, the people's court may award the damages of not less than RMB 30,000 Yuan and not more than RMB 5,000,000 Yuan in light of such factors, as the type of the patent right, the nature and the circumstances of the infringing act.”

### **EUIPO**

According to Article 13(2) of Directive No. 2004/48/EC, when the infringer acted unknowingly, or without reasonable grounds to know, Member States may lay down that the judicial authorities may order, inter alia, the payment of damages, which may be pre-established.

Also, Member States may apply appropriate sanctions according to their national laws (Article 16 of Directive No. 2004/48/EC).

### **JPO**

- a) No provision is stipulated.
- b) Not applicable.
- c) Not applicable.

### **KIPO**

No.

### **USPTO**

Yes. 35 U.S. Code § 284-287 and 35 U.S. Code § 289 provide for statutory damages as well as the codified limitations/requirements.

### **QUESTION III.3 –**

- a) Does your jurisdiction provide for punitive damages?**
- b) How are punitive damages amounts determined or calculated?**
- c) Are there any limits, special requirements or constraints relating to punitive damages?**

### **CNIPA**

According to the “Patent Law of the People’s Republic of China”, Article 71.1 regulates that: “.....For intentional infringement of patent rights, if the circumstances are serious, the amount of compensation may be determined at more than one time and less than five times the amount determined according to the above method.”

### **EUIPO**

Member States may apply sanctions according to their national laws (Article 16 of Directive No. 2004/48/EC).

### **JPO**

- a) No provision is stipulated.
- b) Not applicable.
- c) Not applicable.

### **KIPO**

Yes.

By amending the Article 115 (Estimation of Damages) of the Design Protection Act in 2020, we allow punitive damages. The court may award up to 3 times the amount of actual damages, where infringement of a third person’s design right or exclusive license is found to be willful. In

determining the amount of compensation, the court shall take into consideration more than 8 factors including infringer's position, financial status and efforts to redress damage prescribed in the Article 115 (8).

\* Article 115 (Estimation of Damages)

(4) Where a design right-holder or an exclusive licensee claims compensation for any loss incurred by a person who infringed upon the design right or exclusive license by intention or negligence, the design right-holder or the exclusive licensee may claim the amount that he or she would reasonably receive for working the registered design as the loss that he or she sustained.

(7) Where infringement of a third person's design right or exclusive license is found to be willful, the court may determine the amount of compensation within the maximum of 3 times the damages recognized under paragraphs (1) through (6).

(8) In determining the amount of compensation mentioned in paragraph (7), the court shall take the following into consideration:

1. Whether the infringer has a superior position;
2. Whether the infringement has been done with willfulness or the level of awareness of the risk of causing damage;
3. The severity of the damage inflicted upon a design right-holder or exclusive licensee by the infringement;
4. The economic benefits obtained by the infringer through the infringement;
5. The period, number, etc. of the infringement;
6. The fines imposed for the infringement;
7. The financial status of the infringer;
8. The relative degree of efforts made by the infringer to redress damage.

### USPTO

No.

### **QUESTION III.4 –**

**a) Does your jurisdiction provide for restitution for unjust enrichment?**

**b) How is restitution for unjust enrichment amounts determined or calculated?**

**c) Are there any limits, special requirements or constraints relating to restitution for unjust enrichment?**

### CNIPA

According to the current "Patent Law of the People's Republic of China", there is no regulation about restitution for unjust enrichment.

### EUIPO

According to Article 13 of Directive No. 2004/48/EC, the judicial authority can consider, inter alia, any unfair profits made by the infringer when setting the damages to be paid and can even order the recovery of profits.

### JPO

a) No provision is stipulated for the unjust enrichment in the Design Act, but its provision is stipulated in Article 703 of the Civil Code.

A person that has benefited (hereinafter in this Chapter referred to as "beneficiary") from the property or labor of another person without legal cause and has thereby caused a loss to another person bears the duty to return that benefit, to the extent the benefit exists. (Article 703 of the Civil Code)

b) We are not aware of any provisions that determine the calculation ways of the amount to return unjust enrichment.

c) A claim to return unjust enrichment is extinguished by prescription; if the obligee does not exercise the right within five years from the time when the obligee came to know that it was exercisable; or if the obligee does not exercise the right within 10 years from the time when it became exercisable (Article 166 of the Civil Code).

### **KIPO**

Civil Law Article 741 (Compensation for unfair profits gained by the infringer) provides that a person who gains profit by the design right of another person without any legal grounds or whose actions result in damage to the other person shall compensate the owner of the design right or exclusive licensee for damages within an allowable scope of the profit made.

### **USPTO**

a) No

b) Not applicable.

c) Not applicable.

### **QUESTION III.5 - Are there any other theories or claims for damages not listed above?**

### **CNIPA**

No.

### **EUIPO**

EUIPO is not competent to answer as this is a matter of national law.

### **JPO**

Yes.

### **KIPO**

No.

### **USPTO**

No.

**QUESTION III.6 - If you answered yes to #5, please identify the theory or claim for damages, how the damages amount is calculated, and whether there are any limits, special requirements or constraints relating to the damages theory/claim. Please provide this information for each additional theory or claim of damage beyond those listed in #1-4.**

## **EUIPO**

Not applicable.

## **JPO**

Under the Design Act, claims for the amount of compensation are stipulated as follows. (Article 60-12).

After the international publication, where the applicant of an international application for design registration has given warning with documents stating the design in the international application for design registration, the applicant of the international application for design registration may claim compensation against a person who has worked the design in the international application for design registration or designs similar thereto, as a business after the warning, prior to the registration establishing a design right, and the amount of compensation shall be equivalent to the amount the applicant would be entitled to receive for the working of the registered design or designs similar thereto if the design in the international application for design registration was the registered design. Even where the said warning has not been given, the same shall apply to a person who worked the design in the international application for design registration or designs similar thereto as a business prior to the registration establishing a design right, with knowledge of the design having been claimed in the international application for design registration that the international publication has been effected.

## **IV. Harm to Reputation**

**In this section, we are interested in learning about any remedies associated with harm to reputation of the design owner.**

### **QUESTION IV.1 - Does your jurisdiction provide a remedy for harm to reputation?**

## **CNIPA**

According to the “Civil Code of the People’s Republic of China”, Article 179 regulates that: “Civil liability shall be assumed primarily in the following manners:

- (1) Cessation of infringement.
- (2) Removal of obstacles.
- (3) Elimination of danger.
- (4) Restitution of property.
- (5) Restoration to the original condition.
- (6) Repair, reworking, or replacement.
- (7) Continued performance.
- (8) Compensation for loss.
- (9) Payment of liquidated damages.
- (10) Elimination of adverse effects and rehabilitation of reputation.
- (11) Making an apology.”

So, whether needs to provide a rehabilitation of reputation should be decided by the judiciary authorities according to the practical situation.



### **EUIPO**

Harm to reputation could be defined as a moral prejudice caused to the rightholder. Therefore, it must be noted that judicial authorities can, when setting the damages where the infringer acted knowingly, or with reasonable grounds to know, take into account elements other than economic factors, such as the moral prejudice caused to the rightholder by the infringement (Article 13(1) of Directive No. 2004/48/EC). This means that, at least in that sense, there is a remedy.

Member States may also apply sanctions according to their national laws (Article 16 of Directive No. 2004/48/EC).

### **JPO**

Article 41 of the Design Act stipulates claims for measures to restore credibility under Article 106 of the Patent Act, which applies *mutatis mutandis*.

### **KIPO**

Article 117 (Restoration of Reputation of Design Right-Holders, etc.) provides that upon the request of an owner of design rights or an exclusive licensee, the court may, in lieu of damages or in addition thereto, order the person who has injured the business reputation of the owner of the design right or exclusive licensee by intentionally or negligently infringing the design rights or exclusive license, to take necessary measures to restore the business reputation of said owner or exclusive licensee.

### **USPTO**

There is no specific remedy for irreparable harm to reputation, however, it is a consideration for a preliminary injunction.

**QUESTION IV.2 - If yes, please describe in detail the remedies available for harm to reputation, how the remedies are determined, and the process for adjudicating.**

### **CNIPA**

No answer is given for out of the jurisdiction.

### **EUIPO**

In appropriate cases of harm to reputation, which can be qualified as a moral prejudice caused to the rightholder, the judicial authority takes it into account as an element when setting the damages.

### **JPO**

Claims for measures to restore credibility are defined as: at the request of the holder of a design right, the court may order a person that has harmed the business credibility of the holder of a design right by intentionally or negligently infringing upon the design right to take measures necessary to restore the business credibility of the holder of a design right in lieu of or beyond compensation for damages. The case where the business credibility of the holder of a design right is harmed is the case where, for example, since the quality of products manufactured by infringing its design right is inferior, many consumers have come to recognize that all products related to the design are inferior products. Measures to restore credibility include posting

apology advertisements on newspapers. In order to seek measures to restore credibility, the right holder must assert and prove concrete facts that the business credibility has been harmed.

**KIPO**

The remedies can be determined case-by-case. It is conducted in civil procedure.

**USPTO**

Not applicable.

**QUESTION IV.3 - Are there any other requirements or limitations with respect to remedies available for harm to reputation?**

**CNIPA**

No answer is given for out of the jurisdiction.

**EUIPO**

Yes, since the possibility for the judicial authorities to take the moral prejudice caused into account is only available according to Article 13 of Directive No. 2004/48/EC when the infringer acted knowingly, or with reasonable grounds to know in the infringing activity.

**JPO**

Article 723 of the Civil Code stipulates the recovery in defamation as follows.

The court may order a person that has defamed another person to take appropriate measures to restore the reputation of the victim in lieu of or in addition to compensation for loss or damage, at the request of the victim.

**KIPO**

Not applicable.

**USPTO**

Not applicable.

**V. Criminal Penalties**

In this section, we are interested in learning about any criminal remedies/penalties that may be available for infringement of design registered design rights as compared to civil remedies.

**QUESTION V.1 - Does your jurisdiction provide for criminal penalties for infringement of design rights?**

**CNIPA**

In the “Patent Law of the People’s Republic of China”, there is no specific regulation about criminal penalties for infringement of design rights.

But there is regulation about criminal penalties for any person who passes off a patent.

According to the “Patent Law of the People’s Republic of China”, the Article 68 regulates that: “Where any person passes off a patent, he shall, in addition to bearing his civil liability according to law, be ordered by the administrative authority for patent enforcement to correct his act, and the order shall be announced. His illegal earnings shall be confiscated and, in addition, he may be imposed a fine of not more than five times his illegal earnings and, if there is no illegal earnings or the illegal earnings is less than RMB 50,000 Yuan, a fine of not more than RMB 250,000 Yuan. Where the infringement constitutes a crime, he shall be prosecuted for his criminal liability.”

According to the “IMPLEMENTING REGULATIONS OF THE PATENT LAW OF THE PEOPLE’S REPUBLIC OF CHINA”(During the process of amendment), the Rule 84 regulates that:

Any of the following is an act of passing off a patent as prescribed in the Patent Law:

- (1) affixing patent indication on a product or on the package of a product which has not been granted a patent, continuing to affix patent indication on a product or on the package of a product, after the related patent right has been declared invalid or is terminated, or affixing the patent number of another person on a product or on the package of a product without authorization;
- (2) sale of the product as prescribed in subparagraph (1);
- (3) indicating a technology or design to which no patent right has been granted as patented technology or patented design, indicating a patent application as patent or using the patent number of another person without authorization, in such materials as specification of product etc., which could mislead the public to regard the related technology or design as patented technology or patented design;
- (4) counterfeiting or transforming any patent certificate, patent document or patent application document;
- (5) any other act which might cause confusion on the part of the public, misleading them to regard a technology or design to which no patent right has been granted as patented technology or patented design.

Affixing patent indication legally on a patented product, or on a product directly obtained by a patented process, or on the package of such products before the termination of the patent right, offering for sale or sale of such products after the termination of the patent right is not an act of passing off a patent.

Where any person sells a product passing off a patent without knowing it, and can prove that it or he obtains the product from a legitimate channel, it or he shall be ordered to stop selling the product by the administrative authority for patent affairs, but be exempted from being imposed a fine.

### **EUIPO**

Member States can introduce such sanctions according to Article 16 of Directive 2004/48/EC (see also recital 28 of the same Directive). Their criminal law may foresee criminal penalties.

### **JPO**

Yes.

**KIPO**

Article 220 (1) (Infringements) provides that any person who infringes a design right or an exclusive license shall be punished by imprisonment with labor for not more than seven years or by a fine not exceeding 100 million won.

**USPTO**

No.

**QUESTION V.2 - If yes, please describe in detail the criminal penalties available for design rights misappropriation, how the penalties are determined, and the process for adjudicating.**

**CNIPA**

Not applicable.

**EUIPO**

Not applicable.

**JPO**

A person who infringe on a design right is punished by imprisonment for a term not exceeding 10 years or a fine not exceeding 10,000,000 yen or combination thereof (Article 69 of the Design Act).

A person who has committed any acts which are be deemed to constitute infringement of a design right (refer to Answer II.A.1) is punished by imprisonment for a term not exceeding 5 years or a fine not exceeding 5,000,000 yen or combination thereof (Article 69-2 of the Design Act).

Where a representative of a corporation or an agent, employee or other worker of a corporation or an individual has committed in the course of performing their duties for the corporation or individual, any act in violation prescribed in Article 69 or 69-2 of the Design Act, beyond the offender, the corporation is punished by a fine as provided in the corresponding item and the individual is punished by a fine not exceeding 300,000,000 yen prescribed in Article 69 or 69-2 of the Design Act (Article 74 of the Design Act)

**KIPO**

The penalties can be determined case-by-case. It is conducted in criminal procedure.

**USPTO**

Not applicable.

**QUESTION V.3 - If your jurisdiction has criminal penalties, can there be both criminal and civil penalties for the same design infringement?**

**CNIPA**

Not applicable.

**EUIPO**

Not applicable.

**JPO**

Both criminal penalties and civil remedies may apply, but no civil penalties are stipulated.

**KIPO**

There can be both criminal and civil penalties for the same design infringement.

**USPTO**

Not applicable.

**QUESTION V.4 - Are criminal penalties initiated by the government? Can they be requested in a complaint by a civil party?**

**CNIPA**

Not applicable.

**EUIPO**

Not applicable.

**JPO**

Since the crime of infringement of a design right is a non-offense subject to prosecution on complaint, the crime may be prosecuted even if a complaint is not filed.

**KIPO**

Article 220 (2) provides that a prosecution for a crime under Article 220 (1) shall be instituted only if a criminal complaint thereof is filed.

**USPTO**

Not applicable.

**QUESTION V.5 - Are there any other requirements or limitations with respect to criminal penalties?**

**CNIPA**

Not applicable.

**EUIPO**

Not applicable.

**JPO**

No other provisions are stipulated relating to criminal penalties for infringement of design rights.

**KIPO**

Not applicable.

**USPTO**

Not applicable.

**VI. Miscellaneous: Additional Remedies for Infringement and Procedural Requirements of Registered Design Rights**

**QUESTION VI.1 - Does your jurisdiction provide for any other remedies (equitable, damages, or otherwise) for infringement of registered design rights beyond those already described above.**

**CNIPA**

No.

**EUIPO**

Member State laws may provide for additional sanctions (Article 16 of Directive 2004/48/EC).

**JPO**

No.

**KIPO**

No.

**USPTO**

Federal and state law may provide for additional causes of action but they would not be per se tied to design patents; rather, they would likely emanate from contract theory or akin legal theories.

**QUESTION VI.2 - If yes, please describe the remedy in detail, how the penalties are determined, and the process for adjudicating.**

**CNIPA**

Not Applicable.

**EUIPO**

Not applicable.

**JPO**

Not applicable.

**KIPO**

Not applicable.

**USPTO**

Not applicable.

**QUESTION VI.3 - Does your jurisdiction provide for unjustified threats (Threats of infringement proceedings)? If yes, please describe in detail the remedies and defenses available for unjustified threats.**

**CNIPA**

No answer is given for out of the jurisdiction.

**EUIPO**

Under Article 3 of Directive No. 2004/48/EC, Member States are under the general obligation to provide for safeguards against the abuse of the available measures, procedures and remedies.

Under Article 6(1) and 7(1) and 9(3) of Directive No. 2004/48/EC Member States are also under the obligation to ensure that the applicant presents, or that the competent judicial authorities may request the applicant to present, depending on the case, any reasonably available evidence in order to satisfy themselves with a sufficient degree of certainty that the applicant is the rightholder and that the applicant's right is being infringed, or that such infringement is imminent before taking specific measures against the defendant.

Under Article 7(2) and 9(6) of the enforcement Directive No. 2004/48/EC, measures may also be subject to the lodging by the applicant of adequate security or an equivalent assurance intended to ensure compensation for any prejudice suffered by the defendant.

The holder of a decision of a customs authority shall, under Article 28 of Customs Regulation (EU) No 608/2013, be liable towards any holder of the goods or declarant, who has suffered damage in that regard, in accordance with specific applicable legislation.

**JPO**

No specific provisions are stipulated for procedures relating to intellectual property rights, but provisions of general intimidation and compulsion are stipulated in the following Penal Code.

Article 222 (1) A person who intimidates another through a threat to another's life, body, freedom, reputation or property shall be punished by imprisonment for not more than 2 years or a fine of not more than 300,000 yen.

(2) The same shall apply to a person who intimidates another through a threat to the life, body, freedom, reputation or property of the relatives of another.

Article 223 (1) A person who, by intimidating another through a threat to another's life, body, freedom, reputation or property or by use of assault, causes the other to perform an act which the

other person has no obligation to perform, or hinders the other from exercising his or her rights, shall be punished by imprisonment for not more than 3 years.

(2) The same shall apply to a person who, by intimidating another through a threat to the life, body, freedom, reputation or property of the relatives of another, causes the other to perform an act which the other person has no obligation to perform, or hinders the other from exercising his or her rights.

(3) An attempt of the crimes prescribed under the preceding two paragraphs shall be punished.

### **KIPO**

No.

### **USPTO**

Under Rule 11 of the Federal Rules of Civil Procedure, litigant must certify that, to the best of their knowledge and belief, the legal contentions "are warranted by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law". Monetary civil penalties for violation of this rule may in some cases be imposed on the litigant or the attorney under Rule 11.

Additionally, 28 U.S. Code § 1912 provides that in the U.S. Supreme Court and in the U.S. Courts of Appeals where litigation by the losing party has caused damage to the prevailing party, the court may impose a requirement that the losing party pay the prevailing party for those damages.

**QUESTION VI.4 - Does your jurisdiction provide the discovery process in design infringement proceedings (lawsuit) like the pre-trial discovery process in civil procedure?**

### **CNIPA**

No answer is given for out of the jurisdiction.

### **EUIPO**

The rules of procedure are determined by national Member States laws.

### **JPO**

No.

### **KIPO**

No.

### **USPTO**

Yes. Design infringement proceedings are conducted in U.S. Federal Courts and are subject to the Federal Rules of Civil Procedure. Specifically, Rule 26 is the primary rule detailing the discovery process.

**QUESTION VI.5 - Upon receipt of a request from either party to legal proceedings on design infringement, can the court order the other party to submit materials necessary for proving the relevant infringement in your jurisdiction?**



### **CNIPA**

No answer is given for out of the jurisdiction.

### **EUIPO**

Article 6 (and 8) of Directive 2004/48/EC provide that the competent judicial authorities may order that such evidence be presented by the opposing party, subject to the protection of confidential information.

### **JPO**

The order to submit documents by the court is stipulated for in Article 105 of the Patent Act, which is applied mutatis mutandis to Article 41 of the Design Act, as follows.

(1) In litigation concerning the infringement of a patent right or exclusive license, the court may, upon a motion of a party, order the other party to produce documents that are required to prove the said act of infringement or to calculate the damage arising from the said act of infringement; provided, however, that this shall not apply where there are reasonable grounds for the person possessing the documents to refuse production of the said documents.

(2) When the court finds it necessary for determining whether or not the documents concerning the motion under the main clause of the preceding paragraph fall within the scope of documents referred to in the main clause of the said paragraph or whether or not there are reasonable grounds as provided in the proviso to the preceding paragraph, the court may cause the person possessing the documents to present such documents. In such a case, no person may request the disclosure of the documents presented.

(3) In the case of the preceding paragraph, where the court finds it necessary to hear opinions by disclosing the documents as provided in the latter sentence of the preceding paragraph to make a decision concerning whether or not the documents concerning the motion under the main clause of paragraph (1) fall within the scope of documents referred to in the main clause of the said paragraph or whether or not there are reasonable grounds as provided in the proviso to the said paragraph, the court may disclose the documents to the parties, etc. (the parties (or, in the case of juridical persons, their representatives), their representatives (excluding attorneys and assistant), employees and other workers, the same shall apply hereinafter), attorneys or assistant.

(4) In the case of paragraph (2), where the court deems it necessary to hear an explanation based on expert knowledge by disclosing the documents as provided in the latter sentence of paragraph (2), the court may disclose the documents to technical advisors (as provided in Part I, Chapter V, Section 2, Subsection 1 of the Code of Civil Procedure, and the same as 105-2-6(iv)) with the consent of the parties.

(5) The preceding paragraphs shall apply mutatis mutandis to the presentation of the subject-matter of the inspection that is required to prove the act of infringement in litigation concerning the infringement of a patent right or exclusive license.

## **KIPO**

There is no specific rule under Design Protection Act, however, it is provided under Patent Act.

Patent Act Article 132 (Submission of Materials) of Patent Act provides that (1) Upon receipt of a request from either party to legal proceedings on infringement of a patent or exclusive license, the court may order the other party to submit materials necessary for proving the relevant infringement or calculating the amount of losses caused by the relevant infringement: Provided, That the foregoing shall not apply where the person possessing the materials has a reasonable ground to refuse to submit them.

## **USPTO**

Rule 26 of the Federal Rules of Civil Procedure provides that evidence can be compelled by a court for discovery.

## **VII. Unregistered Design Rights**

### **QUESTION VII.1 - What remedies (civil and/or criminal) are available for unregistered design rights?**

## **CNIPA**

China does not unregistered design rights.

## **EUIPO**

The EUIPO has no competence with regard to unregistered Community designs (UCD) and such remedies are a matter of national law.

## **JPO**

Japan does not have unregistered design rights.

## **KIPO**

An unregistered design right might be protected only under Unfair Competition Prevention Act.

Unfair Competition Prevention Act, Article 2. 1. (1) provides that (i) An act of transferring or lending goods whose shape has been copied (referring to the form, image, color, gloss, or any combination of these, including the shape of any prototype and the shape in goods brochure; hereinafter the same shall apply) from the goods manufactured by any other person; exhibiting such goods for transfer or lending; or importing or exporting such goods: Provided, That either of the following acts shall be excluded herefrom:

(1) An act of transferring or lending goods whose shape has been manufactured by counterfeiting the shape of the other goods for which three years have elapsed from the date on which the shape of the other goods, including the production of the prototype, was completed; exhibiting such goods for transfer or lending; or importing or exporting such goods;

(2) An act of transferring or lending goods whose shape has been manufactured by counterfeiting the common shape of goods that are identical to the goods manufactured by any other person (where the goods of the same kind are nonexistent, referring to other goods whose function or utility is identical or similar to the relevant goods); exhibiting such goods for transfer or lending; or importing or exporting such goods.

**USPTO**

None.

**QUESTION VII.2 - To what extent are they the same and different from the remedies provide for registered design rights?**

**CNIPA**

Not applicable.

**EUIPO**

See answer VII.1, above.

It is to be noted that the scope of protection is different.

Registered design rights protect against similar designs, even when developed in good faith, while unregistered design rights only protect against intentional copying in bath faith (Article 19(2) CDR).

**JPO**

Not applicable.

**KIPO**

As described above, there is a limit of three years for claims of unregistered design rights under Unfair Competition Prevention Act. The remedy is not available for the unregistered design if three years have elapsed from the date on which the shape of the other goods was completed.

**USPTO**

Not applicable.

**QUESTION VII.3 - Can the remedies/decision for an unregistered design right be appealed? If so, how are they appealed and via what process?**

**CNIPA**

Not applicable.

**EUIPO**

The same rules apply as for registered design rights. We kindly refer to the answer to question II.A.4.

**JPO**

Not applicable.

**KIPO**

The case regarding remedies/decision for an unregistered design under Unfair Competition Prevention Act can be brought in one of the district courts in the civil procedure. It can be appealable to the High Court.

**USPTO**

Not applicable.

**QUESTION VII.4 - Are there any special requirements or limitations with regard to remedies for unregistered design rights in your jurisdiction?**

**CNIPA**

Not applicable.

**EUIPO**

Unregistered design rights only protect against intentional copying in bath faith (Article 19(2) CDR).

**JPO**

Not applicable.

**KIPO**

Not applicable.

**USPTO**

Not applicable.

**VIII. Legal and Administrative Provisions**

**QUESTION VIII.1 - Please provide the relevant provisions in your law or regulations relating to the aforementioned topics including relevant statutes, codes of federal regulation, office guidance manuals, etc. of most relevance.**

**CNIPA**

1.Civil Code of the People's Republic of China

Article 179

Civil liability shall be assumed primarily in the following manners:

- (1) Cessation of infringement.
- (2) Removal of obstacles.
- (3) Elimination of danger.

- (4) Restitution of property.
- (5) Restoration to the original condition.
- (6) Repair, reworking, or replacement.
- (7) Continued performance.
- (8) Compensation for loss.
- (9) Payment of liquidated damages.
- (10) Elimination of adverse effects and rehabilitation of reputation.
- (11) Making an apology.

Where any law provides for punitive damages, such a law shall apply.

The manners of assuming civil liability as set forth in this article may be applied alone or by a combination.

## 2. Civil Procedure Law of the People's Republic of China

### Article 103

For a case where, for the conduct of a party or for other reasons, it may be difficult to execute a judgment or any other damage may be caused to a party, a people's court may, upon application of the opposing party, issue a ruling on preservation of the party's property, order certain conduct of the party or prohibit the party from certain conduct; and if no party applies, the people's court may, when necessary, issue a ruling to take a preservative measure.

A people's court may order the applicant to provide security for taking a preservative measure and, if the applicant fails to provide security, shall issue a ruling to dismiss the application.

After accepting an application, a people's court must, if the circumstances are urgent, issue a ruling within 48 hours; and if it rules to take a preservative measure, the measure shall be executed immediately.

### Article 104

Where the lawful rights and interests of an interested party will be irreparable damaged if an application for preservation is not filed immediately under urgent circumstances, the interested party may, before instituting an action or applying for arbitration, apply to the people's court at the place where the property to be preserved is located or at the place of domicile of the respondent or a people's court having jurisdiction over the case for taking preservative measures. The applicant shall provide security and, if the applicant fails to provide security, the people's court shall issue a ruling to dismiss the application.

After accepting an application, a people's court must issue a ruling within 48 hours; and if it rules to take a preservative measure, the measure shall be executed immediately.

Where the applicant fails to institute an action or apply for arbitration in accordance with law within 30 days after the people's court takes a preservative measure, the people's court shall remove preservation.

## 3. Patent Law of the People's Republic of China

## Article 2

In this Law, "inventions-creations" mean inventions, utility models and designs.

"Invention" means any new technical solution relating to a product, a process or improvement thereof.

"Utility model" means any new technical solution relating to the shape, the structure, or their combination, of a product, which is fit for practical use.

"Design" means any new design of the shape, the pattern, or their combination, or the combination of the color with shape or pattern, of an overall or partial product, which creates an aesthetic feeling and is fit for industrial application.

## Article 11

After the grant of the patent right for an invention or utility model, except where otherwise provided for in this Law, no entity or individual may, without the authorization of the patentee, exploit the patent, that is, make, use, offer to sell, sell or import the patented product, or use the patented process, and use, offer to sell, sell or import the product directly obtained by the patented process, for production or business purposes.

After the grant of the patent for a design, no entity or individual may, without the authorization of the patentee, exploit the patent, that is, make, offer to sell, sell or import the product incorporating its or his patented design, for production or business purposes.

## Article 23

Any design for which patent right may be granted shall not be a prior design, nor has any entity or individual filed before the date of filing with the patent administration department under the State Council an application relating to the identical design disclosed in patent documents announced after the date of filing. Any design for which patent right may be granted shall significantly differ from prior design or combination of prior design features. Any design for which patent right may be granted must not be in conflict with the legitimate right obtained before the date of filing by any other person. The prior design referred to in this Law means any design known to the public before the date of filing in China or abroad.

## Article 65

Where a dispute arises as a result of the exploitation of a patent without the authorization of the patentee, that is, the infringement of the patent right of the patentee, it shall be settled through consultation by the parties. Where the parties are not willing to consult with each other or where the consultation fails, the patentee or any interested party may institute legal proceedings in the people's court, or request the administrative authority for patent affairs to handle the matter.

When the administrative authority for patent affairs handling the matter considers that the infringement is established, it may order the infringer to stop the infringing act immediately. If the infringer is not satisfied with the order, he may, within 15 days from the date of receipt of the notification of the order, institutes legal proceedings in the people's court in accordance with the Administrative Procedure Law of the People's Republic of China. If, within the said time limit, such proceedings are not instituted and the order is not complied with, the administrative authority for patent affairs may approach the people's court for compulsory execution. The said authority handling the matter may, upon the request of the parties, mediate in the amount of

compensation for the damage caused by the infringement of the patent right. If the mediation fails, the parties may institute legal proceedings in the people's court in accordance with the Civil Procedure Law of the People's Republic of China.

#### Article 68

Where any person passes off a patent, he shall, in addition to bearing his civil liability according to law, be ordered by the administrative authority for patent enforcement to correct his act, and the order shall be announced. His illegal earnings shall be confiscated and, in addition, he may be imposed a fine of not more than five times his illegal earnings and, if there is no illegal earnings or the illegal earnings is less than RMB 50,000 Yuan, a fine of not more than RMB 250,000 Yuan. Where the infringement constitutes a crime, he shall be prosecuted for his criminal liability.

#### Article 71

The amount of compensation for the damage caused by the infringement of the patent right shall be assessed on the basis of the actual losses suffered by the right holder because of the infringement or the profits the infringer has earned because of the infringement. Where it is difficult to determine the losses the right holder has suffered or the profits the infringer has earned, the amount may be assessed by reference to the appropriate multiple of the amount of the exploitation fee of that patent under a contractual license. For intentional infringement of patent rights, if the circumstances are serious, the amount of compensation may be determined at more than one time and less than five times the amount determined according to the above method. Where it is difficult to determine the losses suffered by the right holder, the profits the infringer has earned and the exploitation fee of that patent under a contractual license, the people's court may award the damages of not less than RMB 30,000 Yuan and not more than RMB 5,000,000 Yuan in light of such factors, as the type of the patent right, the nature and the circumstances of the infringing act.

The amount of compensation for the damage shall also include the reasonable expenses of the right holder incurred for stopping the infringing act.

To assess the amount of the compensation, under the circumstance that the right holder has tried its or his best to provide evidence, and the account books or materials related to the patent infringing act are primarily controlled by the infringer, the people's court may order the infringer to provide such account books or materials. Where the infringer refuses to provide or provides any false account books or materials, the people's court may determine the amount of the compensation based on the claims of right holder and the evidence provided.

#### Article 72

Where any patentee or interested party has evidence to prove that another person is infringing or will soon infringe its or his patent right or hinders the realization of the right, and that if such infringing act is not checked or prevented from occurring in time, it is likely to cause irreparable harm to it or him, it or he may, before any legal proceedings are instituted, petition the people's court to adopt measures for property preservation, order certain actions, or prohibit certain actions in accordance with the law.

### 4. Customs Law of the People's Republic of China

## Article 91

The importation and exportation of goods in violation of intellectual rights protected by the law and administrative regulations of the People's Republic of China shall be sanctioned by the Customs by confiscating the goods and imposing a fine; Criminal liabilities shall be taken in case of a crime.

## 5. IMPLEMENTING REGULATIONS OF THE PATENT LAW OF THE PEOPLE'S REPUBLIC OF CHINA

### Rule 84.

Any of the following is an act of passing off a patent as prescribed in

Article 63 (Article 68, revised version) of the Patent Law:

- (1) affixing patent indication on a product or on the package of a product which has not been granted a patent, continuing to affix patent indication on a product or on the package of a product, after the related patent right has been declared invalid or is terminated, or affixing the patent number of another person on a product or on the package of a product without authorization;
- (2) sale of the product as prescribed in subparagraph (1);
- (3) indicating a technology or design to which no patent right has been granted as patented technology or patented design, indicating a patent application as patent or using the patent number of another person without authorization, in such materials as specification of product etc., which could mislead the public to regard the related technology or design as patented technology or patented design;
- (4) counterfeiting or transforming any patent certificate, patent document or patent application document;
- (5) any other act which might cause confusion on the part of the public, misleading them to regard a technology or design to which no patent right has been granted as patented technology or patented design.

Affixing patent indication legally on a patented product, or on a product directly obtained by a patented process, or on the package of such products before the termination of the patent right, offering for sale or sale of such products after the termination of the patent right is not an act of passing off a patent.

Where any person sells a product passing off a patent without knowing it, and can prove that it or he obtains the product from a legitimate channel, it or he shall be ordered to stop selling the product by the administrative authority for patent affairs, but be exempted from being imposed a fine.

## 6. Regulation of the People's Republic of China on the Customs Protection of Intellectual Property Rights

### Article 23



An intellectual property right holder may, after filing an application with the customs for taking protection measures, apply in accordance with the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, the Patent Law of the People's Republic of China or other relevant laws to the people's court for taking the measures of ordering to stop the acts of infringement or taking property preservation with regard to the suspected infringing goods detained.

The customs shall provide assistance if receiving relevant notice of the people's court on assisting in ordering to stop the infringing acts or in taking property preservation.

### **EUIPO**

Regulation (EC) No. 6/2002 (Community Design Regulation)(CDR).

Regulation (EU) No. 608/2013 (Customs Regulation).

Directive No. 2004/48/EC (Enforcement Directive).

National Member State laws.

### **JPO**

The relevant Acts, Codes, and regulations have already been described above, and we are not aware of any other provisions.

### **KIPO**

Design Protection Act

Article 33 (Requirements for Design Registration)

(1) A design usable for an industrial purpose is eligible for design registration, except:

1. A design publicly known or worked in the Republic of Korea or a foreign country before an application for design registration is filed;
2. A design described in a printed publication distributed in the Republic of Korea or a foreign country or made available for public use via telecommunications lines before an application for design registration is filed;

3. A design similar to any of the designs specified in subparagraph 1 or 2.

(2) Notwithstanding the provisions of paragraph (1), no design (excluding a design specified in paragraph (1)) that could have been easily created by a person who has ordinary skill in the art to which the design pertains by applying any of the following methods before an application for design registration is filed, shall be eligible for design registration:

1. A design specified in paragraph (1) 1 or 2 or a combination of such designs;
2. A shape, pattern, or color, or a combination thereof, widely known in the Republic of Korea or in a foreign country.

(3) Notwithstanding the provisions of paragraph (1), a design for which an application for design registration is filed is ineligible for design registration, if the design is identical or similar to a part of a design claimed in another application for design registration (limited to an application filed before the date on which the relevant application for design registration is filed),

published in the Design Gazette under Article 52, 56, or 90 (3) after the application for registration of the relevant design was filed, or expressed in a drawing, a photograph, or a specimen accompanying such application: Provided, That the foregoing shall not apply where the applicant for registration of the relevant design and the applicant for registration of another design are one and the same person.

#### Article 113 (Rights to Prohibit Infringement, etc.)

(1) the owner of a design right or an exclusive licensee may file a claim for injunction for, or prevention of, infringement against a person who infringes or is likely to infringe his/her rights.

(2) the owner of a design right or an exclusive licensee, who made a request to keep the relevant design confidential under Article 43 (Secret Designs) (1), cannot file a claim under Article 113 (1), unless he/she issue a warning by presenting a document certified by the Commissioner of the Korean Intellectual Property Office on the following matters regarding the design, as prescribed by Ordinance of the Ministry of Trade, Industry and Energy:

1. The name and domicile (or the name and principal place of business, if the claimant is a corporation) of the design right-holder or the exclusive licensee (applicable only where an exclusive licensee files a claim);
2. The serial number and date of an application for design registration;
3. The design registration number and the date of registration;
4. Details of drawings, photographs, or specimens accompanying the application of design registration.

(3) when the owner of a design right or an exclusive licensee files a claim under paragraph (1), he/she may seek the destruction of infringing articles, the removal of facilities provided for infringement, and other actions necessary for the prevention of infringement.

#### Article 115 (Estimation of Damages)

(1) Where the owner of a design right or an exclusive licensee claims compensation for any loss inflicted upon him/her against a person who infringed the design right or exclusive license by intention or negligence and the infringing person transferred the products that constituted the infringement to third parties, the amount of the loss that the claimant has sustained may be calculated by multiplying the quantity of the products so transferred by the profit per unit of the products that the design right-holder or the exclusive licensee could have sold if not for the infringement.

(2) The amount of damages calculated under paragraph (1) shall not exceed the amount calculated by multiplying the quantity of products that the design right-holder or exclusive licensee could have produced, less the quantity of products actually sold, by the profit per unit: Provided, That the quantity of products that the design right-holder or exclusive licensee could not sold due to any cause or event, other than the infringement, shall be subtracted therefrom, if such cause or event, in addition to the infringement, prevented the design right-holder or exclusive licensee from selling the products.

(3) Where a design right-holder or an exclusive licensee claims compensation for any loss incurred by a person who infringed the design right or exclusive license by intention or negligence, the profits that the infringing person gained by infringement, if any, shall be deemed equivalent to the loss that the design right-holder or exclusive licensee has sustained.

(4) Where a design right-holder or an exclusive licensee claims compensation for any loss incurred by a person who infringed the design right or exclusive license by intention or negligence, the design right-holder or the exclusive licensee may claim the amount that he/she would usually receive for working the registered design as the loss that he/she sustained.

(5) Notwithstanding the provisions of paragraph (4), the amount by which the damages exceed the amount specified in the aforesaid paragraph may be also claimed as damages. In such cases, the court may consider the fact that the absence of intention or gross negligence on the part of a person who infringed the design right or exclusive license in determining damages.

(6) If the court finds in a lawsuit for infringement on a design right or exclusive license that the loss has been incurred by infringement but it is impracticable to find the facts necessary for proving the damages in light of the nature of relevant facts, it may award reasonable damages based on the summation of all arguments and the results of examination of evidence, notwithstanding the provisions of paragraphs (1) through (5).

#### Article 117 (Restoration of Reputation of Design Right-Holders, etc.)

Upon the request of an owner of design rights or an exclusive licensee, the court may, in lieu of damages or in addition thereto, order the person who has injured the business reputation of the owner of the design right or exclusive licensee by intentionally or negligently infringing the design rights or exclusive license, to take necessary measures to restore the business reputation of said owner or exclusive licensee.

#### Article 220 (Infringements)

(1) Any person who infringes a design right or an exclusive license shall be punished by imprisonment with labor for not more than seven years or by a fine not exceeding 100 million won.

(2) A prosecution for a crime under paragraph (1) shall be instituted only if a criminal complaint thereof is filed.

#### Patent Act

##### Article 132 (Submission of Materials)

(1) Upon receipt of a request from either party to legal proceedings on infringement of a patent or exclusive license, the court may order the other party to submit materials necessary for proving the relevant infringement or calculating the amount of losses caused by the relevant infringement: Provided, That the foregoing shall not apply where the person possessing the materials has a reasonable ground to refuse to submit them.

#### Unfair Competition Prevention Act

##### Article 2. 1. (Definitions)

(i) An act of transferring or lending goods whose shape has been copied (referring to the form, image, color, gloss, or any combination of these, including the shape of any prototype and the shape in goods brochure; hereinafter the same shall apply) from the goods manufactured by any other person; exhibiting such goods for transfer or lending; or importing or exporting such goods: Provided, That either of the following acts shall be excluded herefrom:

(1) An act of transferring or lending goods whose shape has been manufactured by counterfeiting the shape of the other goods for which three years have elapsed from the date on which the shape of the other goods, including the production of the prototype, was completed; exhibiting such goods for transfer or lending; or importing or exporting such goods;

(2) An act of transferring or lending goods whose shape has been manufactured by counterfeiting the common shape of goods that are identical to the goods manufactured by any other person (where the goods of the same kind are nonexistent, referring to other goods whose function or utility is identical or similar to the relevant goods); exhibiting such goods for transfer or lending; or importing or exporting such goods.

#### Civil Law

##### Article 750 (Definition of Torts)

Any person who causes losses to or inflicts injuries on another person by an unlawful act, intentionally or negligently, shall be bound to make compensation for damages arising therefrom

##### Article 741 (Definition of Unjust Enrichment)

A person who without any legal ground derives a benefit from the property or services of another and thereby causes loss to the latter shall be bound to return such benefit.

#### **USPTO**

##### 35 U.S. Code § 284 – Damages

Upon finding for the claimant the court shall award the claimant damages adequate to compensate for the infringement but in no event less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs as fixed by the court.

When the damages are not found by a jury, the court shall assess them. In either event the court may increase the damages up to three times the amount found or assessed. Increased damages under this paragraph shall not apply to provisional rights under section 154(d).

The court may receive expert testimony as an aid to the determination of damages or of what royalty would be reasonable under the circumstances.

##### 35 U.S. Code § 285 Attorneys Fees

The court in exceptional cases may award reasonable attorney fees to the prevailing party.

##### 35 U.S.C. 286 Time limitation on damages.

Except as otherwise provided by law, no recovery shall be had for any infringement committed more than six years prior to the filing of the complaint or counterclaim for infringement in the action.

In the case of claims against the United States Government for use of a patented invention, the period before bringing suit, up to six years, between the date of receipt of a written claim for compensation by the department or agency of the Government having authority to settle such claim, and the date of mailing by the Government of a notice to the claimant that his claim has been denied shall not be counted as a part of the period referred to in the preceding paragraph.

35 U.S.C. 287 Limitation on damages and other remedies; marking and notice.

(a) Patentees, and persons making, offering for sale, or selling within the United States any patented article for or under them, or importing any patented article into the United States, may give notice to the public that the same is patented, either by fixing thereon the word "patent" or the abbreviation "pat.", together with the number of the patent, or by fixing thereon the word "patent" or the abbreviation "pat." together with an address of a posting on the Internet, accessible to the public without charge for accessing the address, that associates the patented article with the number of the patent, or when, from the character of the article, this cannot be done, by fixing to it, or to the package wherein one or more of them is contained, a label containing a like notice. In the event of failure so to mark, no damages shall be recovered by the patentee in any action for infringement, except on proof that the infringer was notified of the infringement and continued to infringe thereafter, in which event damages may be recovered only for infringement occurring after such notice. Filing of an action for infringement shall constitute such notice.

(b)

(1) An infringer under section 271(g) shall be subject to all the provisions of this title relating to damages and injunctions except to the extent those remedies are modified by this subsection or section 9006 of the Process Patent Amendments Act of 1988. The modifications of remedies provided in this subsection shall not be available to any person who —

(A) practiced the patented process;

(B) owns or controls, or is owned or controlled by, the person who practiced the patented process; or

(C) had knowledge before the infringement that a patented process was used to make the product the importation, use, offer for sale, or sale of which constitutes the infringement.

(2) No remedies for infringement under section 271(g) shall be available with respect to any product in the possession of, or in transit to, the person subject to liability under such section before that person had notice of infringement with respect to that product. The person subject to liability shall bear the burden of proving any such possession or transit.

(3)

(A) In making a determination with respect to the remedy in an action brought for infringement under section 271(g), the court shall consider—

(i) the good faith demonstrated by the defendant with respect to a request for disclosure;

(ii) the good faith demonstrated by the plaintiff with respect to a request for disclosure, and

(iii) the need to restore the exclusive rights secured by the patent.

(B) For purposes of subparagraph (A), the following are evidence of good faith:

(i) a request for disclosure made by the defendant;

(ii) a response within a reasonable time by the person receiving the request for disclosure; and

(iii) the submission of the response by the defendant to the manufacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the defendant, together with a request for a written statement that the process claimed in any patent disclosed in the response is not used to produce such product. The failure to perform any acts described in the preceding sentence is evidence of absence of good faith unless there are mitigating circumstances. Mitigating circumstances include the case in which, due to the nature of the product, the number of sources for the product, or like commercial circumstances, a request for disclosure is not necessary or practicable to avoid infringement.

(4)(A) For purposes of this subsection, a "request for disclosure" means a written request made to a person then engaged in the manufacture of a product to identify all process patents owned by or licensed to that person, as of the time of the request, that the person then reasonably believes could be asserted to be infringed under section 271(g) if that product were imported into, or sold, offered for sale, or used in, the United States by an unauthorized person. A request for disclosure is further limited to a request—

(i) which is made by a person regularly engaged in the United States in the sale of the type of products as those manufactured by the person to whom the request is directed, or which includes facts showing that the person making the request plans to engage in the sale of such products in the United States;

(ii) which is made by such person before the person's first importation, use, offer for sale, or sale of units of the product produced by an infringing process and before the person had notice of infringement with respect to the product; and

(iii) which includes a representation by the person making the request that such person will promptly submit the patents identified pursuant to the request to the manufacturer, or if the manufacturer is not known, to the supplier, of the product to be purchased by the person making the request, and will request from that manufacturer or supplier a written statement that none of the processes claimed in those patents is used in the manufacture of the product.

(B) In the case of a request for disclosure received by a person to whom a patent is licensed, that person shall either identify the patent or promptly notify the licensor of the request for disclosure.

(C) A person who has marked, in the manner prescribed by subsection (a), the number of the process patent on all products made by the patented process which have been offered for sale or sold by that person in the United States, or imported by the person into the United States, before a request for disclosure is received is not required to respond to the request for disclosure. For purposes of the preceding sentence, the term "all products" does not include products made before the effective date of the Process Patent Amendments Act of 1988.

(5)(A) For purposes of this subsection, notice of infringement means actual knowledge, or receipt by a person of a written notification, or a combination thereof, of information sufficient to persuade a reasonable person that it is likely that a product was made by a process patented in the United States.

(B) A written notification from the patent holder charging a person with infringement shall specify the patented process alleged to have been used and the reasons for a good faith belief that such process was used. The patent holder shall include in the notification such information as is reasonably necessary to explain fairly the patent holder's belief, except that the patent holder is not required to disclose any trade secret information.

(C) A person who receives a written notification described in subparagraph (B) or a written response to a request for disclosure described in paragraph (4) shall be deemed to have notice of infringement with respect to any patent referred to in such written notification or response unless that person, absent mitigating circumstances—

(i) promptly transmits the written notification or response to the manufacturer or, if the manufacturer is not known, to the supplier, of the product purchased or to be purchased by that person; and

(ii) receives a written statement from the manufacturer or supplier which on its face sets forth a well-grounded factual basis for a belief that the identified patents are not infringed.

(D) For purposes of this subsection, a person who obtains a product made by a process patented in the United States in a quantity which is abnormally large in relation to the volume of business of such person or an efficient inventory level shall be rebuttably presumed to have actual knowledge that the product was made by such patented process.

(6) A person who receives a response to a request for disclosure under this subsection shall pay to the person to whom the request was made a reasonable fee to cover actual costs incurred in complying with the request, which may not exceed the cost of a commercially available automated patent search of the matter involved, but in no case more than \$500.

(c)

(1) With respect to a medical practitioner's performance of a medical activity that constitutes an infringement under section 271(a) or (b), the provisions of sections 281, 283, 284, and 285 shall not apply against the medical practitioner or against a related health care entity with respect to such medical activity.

(2) For the purposes of this subsection:

(A) the term "medical activity" means the performance of a medical or surgical procedure on a body, but shall not include (i) the use of a patented machine, manufacture, or composition of matter in violation of such patent, (ii) the practice of a patented use of a composition of matter in violation of such patent, or (iii) the practice of a process in violation of a biotechnology patent.

(B) the term "medical practitioner" means any natural person who is licensed by a State to provide the medical activity described in subsection (c)(1) or who is acting under the direction of such person in the performance of the medical activity.

(C) the term "related health care entity" shall mean an entity with which a medical practitioner has a professional affiliation under which the medical practitioner performs the medical activity, including but not limited to a nursing home, hospital, university, medical school, health maintenance organization, group medical practice, or a medical clinic.

(D) the term "professional affiliation" shall mean staff privileges, medical staff membership, employment or contractual relationship, partnership or ownership interest, academic appointment, or other affiliation under which a medical practitioner provides the medical activity on behalf of, or in association with, the health care entity.

(E) the term "body" shall mean a human body, organ or cadaver, or a nonhuman animal used in medical research or instruction directly relating to the treatment of humans.

(F) the term "patented use of a composition of matter" does not include a claim for a method of performing a medical or surgical procedure on a body that recites the use of a composition of matter where the use of that composition of matter does not directly contribute to achievement of the objective of the claimed method.

(G) the term "State" shall mean any State or territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(3) This subsection does not apply to the activities of any person, or employee or agent of such person (regardless of whether such person is a tax exempt organization under section 501(c) of the Internal Revenue Code), who is engaged in the commercial development, manufacture, sale, importation, or distribution of a machine, manufacture, or composition of matter or the provision of pharmacy or clinical laboratory services (other than clinical laboratory services provided in a physician's office), where such activities are:

(A) directly related to the commercial development, manufacture, sale, importation, or distribution of a machine, manufacture, or composition of matter or the provision of pharmacy or clinical laboratory services (other than clinical laboratory services provided in a physician's office), and

(B) regulated under the Federal Food, Drug, and Cosmetic Act, the Public Health Service Act, or the Clinical Laboratories Improvement Act.

(4) This subsection shall not apply to any patent issued based on an application which has an effective filing date before September 30, 1996.

35 U.S.C. 289 Additional remedy for infringement of design patent.

Whoever during the term of a patent for a design, without license of the owner, (1) applies the patented design, or any colorable imitation thereof, to any article of manufacture for the purpose of sale, or (2) sells or exposes for sale any article of manufacture to which such design or colorable imitation has been applied shall be liable to the owner to the extent of his total profit, but not less than \$250, recoverable in any United States district court having jurisdiction of the parties.



Nothing in this section shall prevent, lessen, or impeach any other remedy which an owner of an infringed patent has under the provisions of this title, but he shall not twice recover the profit made from the infringement.