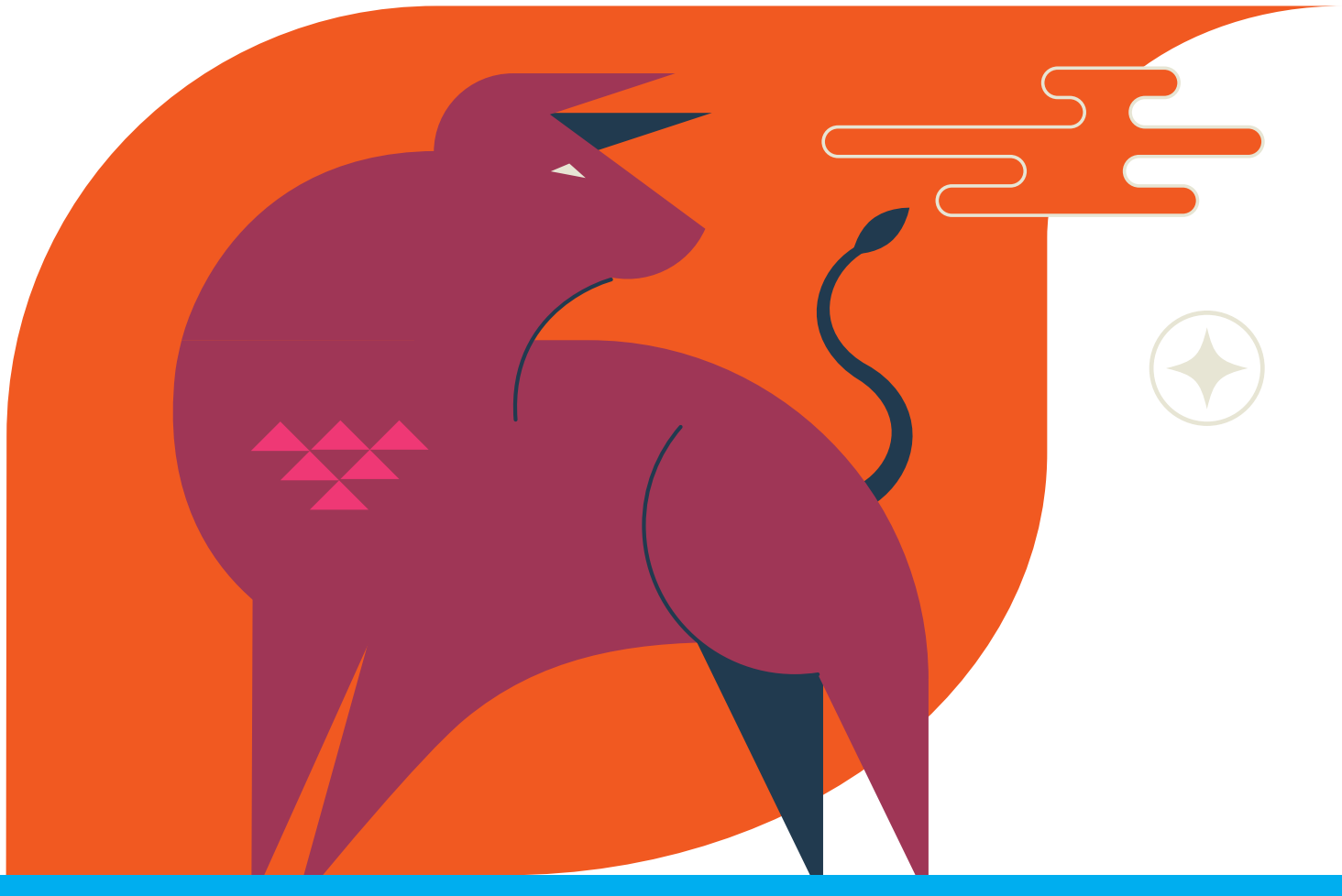
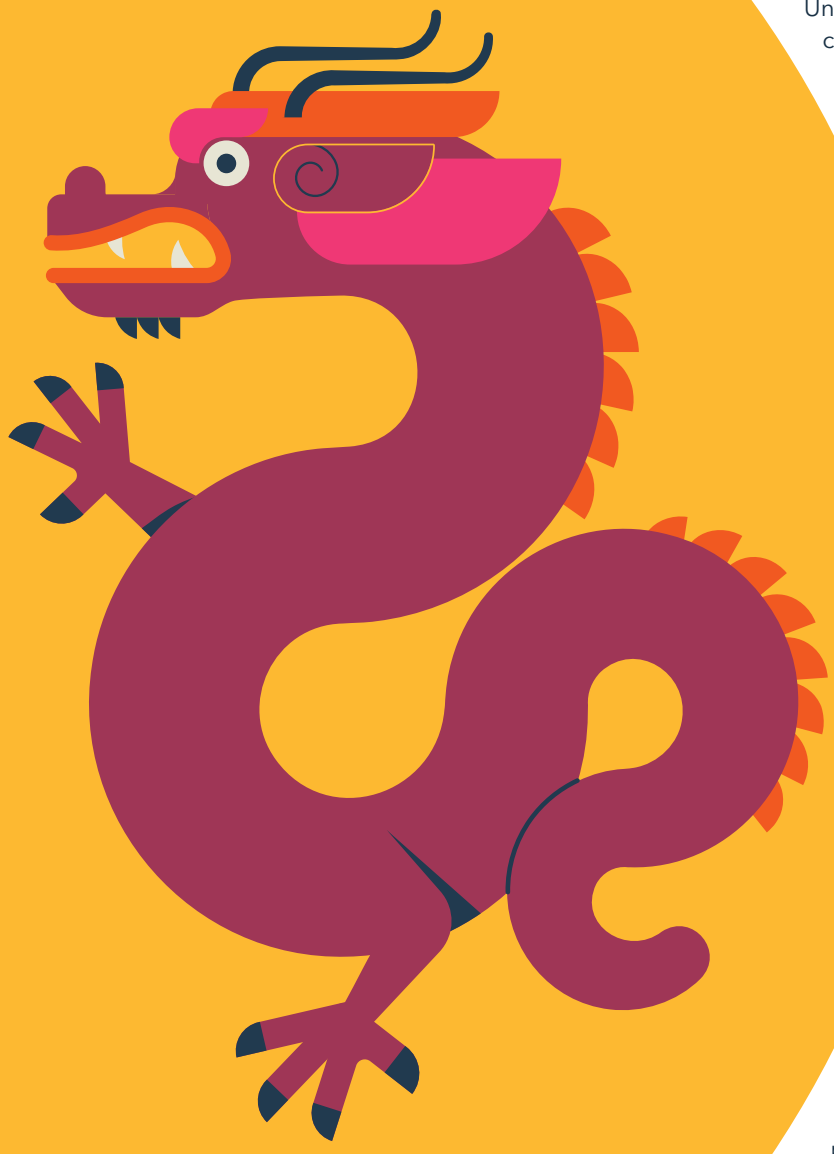
Patent Protection in China compared to Europe

Selected Aspects of Chinese Patent Practice for European Applicants

For European technology companies seeking to enter or expand in the Chinese market, obtaining patent protection is no longer merely a matter of extending an existing European filing strategy to another jurisdiction. Although European and Chinese patent systems share many principles, important differences exist regarding filing strategies, procedural requirements, examination practice, and post-grant validity challenges. These differences may significantly affect the scope, timing, and commercial value of patent protection in China.





This article highlights multiple practical aspects that European applicants should consider when entering the Chinese patent system: invention patents and utility models, filing language and translation requirements, exclusion from patentability, divisional applications, procedures following rejection of a patent application, and post-grant validity challenges. Understanding these differences at an early stage can help companies avoid unnecessary loss of rights and establish a more effective Chinese patent strategy.

Utility Models: When to decide

In Europe, utility model protection exists only in certain national systems, such as Germany, but not under the European Patent Convention (EPC). German applicants may take advantage of the branching-off procedure (»Abzweigung«) pursuant to Section 5 of the German Utility Model Act (»Gebrauchsmustergesetz – GebrMG«), allowing a patent application to serve as the basis for a utility model. Such a branch-off may generally be filed while the patent application is pending or within two months after the termination of the patent application.

China follows a fundamentally different approach. Chinese law does not permit a later switch from an invention patent application to a utility model application. Consequently, applicants must decide at the outset whether utility model protection for China is desired.

For foreign applicants, the strategic options depend on the filing route. Under the Paris Convention, an applicant may file both a Chinese invention patent application and a Chinese utility model application on the same day claiming priority from an earlier foreign application. This so-called dual filing strategy is expressly recognized under Article 9 of the Chinese Patent Law and allows rapid protection through the utility model while preserving the possibility of long-term protection through the invention patent. However, because Chinese law prohibits double patenting, the utility model must be abandoned when the corresponding invention patent is granted.

The situation differs for PCT applications entering the Chinese phase. When entering the Chinese national phase, the applicant must elect either an invention patent or a utility model; parallel entry as both types of protection is not available, just as for other national and regional phases. Notably, upon entry into the Chinese national phase, it is not possible to select a utility model if a direct Chinese patent application was also filed.

Chinese utility models are further limited by their eligible subject matter. According to Article 2(3) of the Chinese Patent Law, a utility model may only protect a new technical solution relating to the shape, structure, or combination thereof of a product. Therefore, methods, chemical compositions, pharmaceuticals, and many material-related inventions cannot be protected as utility models.

Unlike invention patents, Chinese utility models are granted without substantive examination (Articles 39 and 40 Chinese Patent Law) and are usually registered within several months. Before enforcing a utility model, however, patent owners frequently obtain a Patent Right Evaluation Report issued by China National Intellectual Property Administration (CNIPA) pursuant to Article 66 of the Chinese Patent Law, which serves as an important document for assessing the strength of the right during infringement proceedings.

Practical Takeaways

- Consider Chinese utility models as a strategic instrument for obtaining rapid protection, particularly for mechanical and product-related inventions.
- Decide on utility model protection before filing, as no later conversion comparable to the German branch-off (»Abzweigung«) is available.
- Carefully choose between the Paris Convention route and the PCT route, as only the former allows a dual filing strategy.

Filing Language and Translation Requirements

The European patent system offers a relatively flexible language regime. Under Article 14 EPC, a European patent application may initially be filed in any language. However, a translation into one of the official languages of the EPO (English, German, or French) must be submitted within the prescribed period if the original filing language is different. Similarly, under Section 35a(1) of the German Patent Act, a German patent application may initially be filed in any foreign language, provided that a German translation is filed within three months; otherwise, the application is deemed to be withdrawn.

Chinese practice is considerably stricter. According to Article 26 of the Chinese Patent Law and the Implementing Regulations, patent applications before CNIPA must be submitted in the Chinese language.

This difference has significant practical consequences. In Europe and Germany, translation errors can often be corrected throughout the proceedings, based on the language in which the application was initially filed. In China, however, the originally submitted Chinese text generally defines the scope of disclosure, and amendments are strictly limited to the content directly and unambiguously derivable from the original Chinese application. Translation mistakes may therefore lead to irreversible limitations of claim scope or difficulties during enforcement.

Practical Takeaways

- Treat the Chinese translation as the legally binding basis of the Chinese patent application, rather than a mere filing formality.
- Review key terminology and claim language carefully before Chinese filing.

Patentable Subject Matter: Similar Principles, Different Examination Practice

European and Chinese patent law share many principles regarding patent-eligible subject matter. Under Article 52(2) EPC, before the EPO, certain subject matter is excluded from patentability, including discoveries, scientific theories, mathematical methods, aesthetic creations, schemes and methods for performing mental acts, playing games or doing business, and computer programs »as such«. In addition, Article 53(c) EPC excludes methods for treatment of the human or animal body by surgery or therapy, as well as diagnostic methods practiced on the human or animal body.

China provides comparable exclusions under Article 25 of the Chinese Patent Law, including scientific discoveries, rules and methods for intellectual activities, methods for the diagnosis or treatment of diseases, animal and plant varieties, and substances obtained by means of nuclear transformation. For example, Article 25(3) of the Chinese Patent Law excludes methods for the diagnosis or treatment of diseases, which, in practice, likewise encompasses surgical, therapeutic, and diagnostic methods performed on the human or animal body.

Although the statutory exclusions are largely similar, differences often arise in examination practice, particularly for computer-implemented inventions, artificial intelligence (AI), and business-related technologies. Under established EPO case law, an invention must possess a technical character, and features not having a technical character, such as those relating to a pure business concept or mathematical method, generally do not contribute to inventive step (see, for example, T 641/00 – COMVIK). For example, a business model merely implemented on a conventional computer is generally not patentable under the EPC.

Chinese practice follows a comparable principle. According to Article 2(2) of the Chinese Patent Law, an invention must constitute a »technical solution«, i.e., it must employ technical means to solve a technical problem and achieve a technical effect. According to the CNIPA Guidelines for Patent Examination (Part II, Chapter 9), claims involving algorithms, artificial intelligence, or business rules are however not excluded per se. The decisive question is whether the claimed subject matter, considered as a whole, contributes to a technical solution.

For example, an AI algorithm merely used to improve a financial recommendation or other commercial decision may be regarded as a rule or method for intellectual activities, whereas AI applied to a specific technical scenario – such as reducing image noise in an imaging device, improving industrial defect detection, or optimizing communication resources – may satisfy the requirement of a technical solution.

The practical distinction between Europe and China therefore often lies less in the statutory exclusion itself rather than in how technical features and technical effects are presented in the claims and specification. An application drafted solely with European prosecution in mind may not always provide the optimal basis for Chinese examination. For software, AI, data-processing, and business-related inventions, applicants should therefore consider Chinese examination requirements at an early drafting stage.

Practical Takeaways

- Do not assume that a claim considered patentable before the EPO will automatically satisfy Chinese examination practice.
- A pure business method or commercial concept is generally not patentable in either Europe or China when it is implemented on a computer.
- For software, AI, and data-processing inventions, emphasize the technical problem, technical means, and technical effect, particularly for Chinese prosecution.

Divisional Applications: Different Timing

Divisional applications are an important tool for adapting a patent portfolio during examination, for example to protect additional embodiments or to address unity objections.

Under Article 76 EPC, a European divisional application may generally be filed as long as a European patent application is pending.

China also allows divisional applications under Article 31 of the Chinese Patent Law and Rule 47 of the Implementing Regulations of the Chinese Patent Law. Similarly to Europe, a divisional application must generally be filed while the parent application is still pending. However, Chinese practice contains additional procedural limitations. For example, when the parent application has received a notification that it is ready for grant, a divisional application must generally be filed no later than two months from the date of receipt of the Notification to Grant Patent Right. Importantly, while cascading divisional patent applications are permissible, they can only be filed while the original »root« application is pending, and not thereafter, even if an immediate »predecessor« application is still pending.

The Chinese divisional system therefore requires careful monitoring of procedural deadlines. Waiting until the final stages of prosecution may result in the loss of opportunities to supplement the scope of protection.

Practical Takeaways

- Evaluate potential divisional strategies early during Chinese prosecution.
- Pay particular attention to the two-month period following the Notification to Grant Patent Right.
- Coordinate claim strategies between European and Chinese family members to avoid losing commercially valuable subject matter.

Procedures Following Rejection of a Patent Application

A refusal of a patent application does not necessarily mark the end of prosecution. Both Europe and China provide mechanisms to challenge negative examination decisions.

Under Article 106 EPC, decisions of the EPO Examining Divisions may be appealed to be revisited by the Boards of Appeal of the EPO. In Germany, refusals of national patent applications by the German Patent and Trademark Office (»Deutsches Patent- und Markenamt – DPMA«), may be challenged by appeal before the German Federal Patent Court (»Bundespatentgericht – BPatG«) pursuant to Section 73 of the German Patent Act.

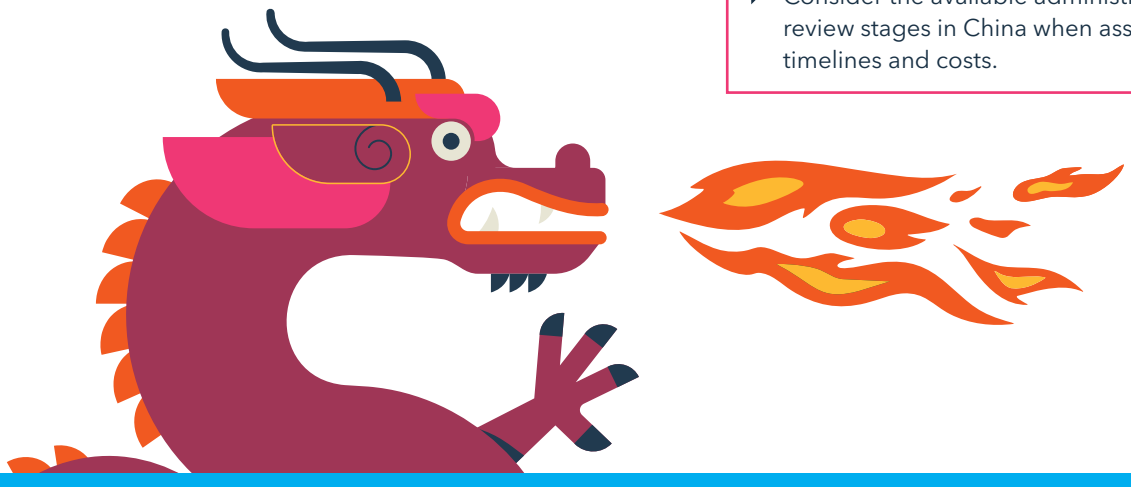
China follows a two-stage review system. According to Article 41 of the Chinese Patent Law, an applicant dissatisfied with a rejection decision may request a re-examination (»复审«) before the Patent Reexamination and Invalidation Department (PRID) of the CNIPA, within three months from receipt of the rejection decision.

If the applicant remains dissatisfied with the re-examination decision, the decision may be challenged through administrative litigation before the Beijing Intellectual Property Court, with a further appeal available before the Beijing High People's Court.

Compared with the European appeal procedure, Chinese re-examination is more closely integrated into the CNIPA examination framework and often provides a practical opportunity to amend claims and further negotiate the patentability of the invention. Therefore, a well-prepared re-examination strategy may provide a valuable opportunity to overcome examination objections through legal arguments and appropriate claim amendments.

Practical Takeaways

- A rejection by CNIPA does not necessarily mean the end of patent prosecution in China.
- Use the re-examination procedure strategically to address objections and optimize claim scope.
- Consider the available administrative and judicial review stages in China when assessing prosecution timelines and costs.



Post-Grant Challenges: No Opposition in China

Once a patent has been granted, Europe and China provide different mechanisms for challenging its validity. For European patents, the European Patent Office (EPO) provides centralized opposition proceedings within a nine-month opposition period following the publication of the mention of grant (Article 99 EPC). Similarly, German national patents may be opposed before the German Patent and Trademark Office within nine months after grant (Section 59 German Patent Act). After expiry of the opposition period, validity may still be challenged through national invalidity actions (e.g., nullity proceedings (»Nichtigkeitsklage«) before the German Federal Patent Court) or, where applicable, through revocation actions before the Unified Patent Court (UPC). This provides an early, centralized review of patent validity, while preserving further judicial review after the opposition period.

By contrast, China abolished its post-grant opposition system in 2001. According to Article 45 of the Chinese Patent Law, a granted patent may only be challenged through an invalidation proceeding before the Patent Reexamination and Invalidation Department (PRID) of CNIPA. Such a request may be filed at any time during the entire patent term, and the official fee is relatively low (currently RMB 3,000 for invention patents and RMB 1,500 for utility models). As a result, Chinese patents may remain exposed to validity challenges throughout their lifetime.

Practical Takeaways

- Unlike in Europe, a Chinese patent does not have a limited opposition window after grant; validity may be challenged throughout its entire lifetime.
- The relatively accessible invalidation system should be considered already during drafting and prosecution to ensure a robust and defensible Chinese patent portfolio.

Summary

For European technology companies, successful patent protection in China requires more than simply transferring a European filing strategy into another jurisdiction. Differences in utility model practice, language requirements, patentability assessment, divisional application opportunities, appeal procedures, and post-grant challenges may significantly influence the strength and commercial value of a Chinese patent portfolio.

A robust Chinese patent strategy therefore requires early consideration of local procedural requirements and examination practice, ideally already at the initial drafting stage of a patent application. Close cooperation between European and Chinese patent counsels and professionals can help applicants align global filing strategies with the specific requirements of the Chinese patent system and ultimately maximize the commercial value and enforceability of their innovations in China.

Dr. Yu Wang
/ Senior Associate
/ German Patent Attorney
/ European Patent Attorney
/ UPC Representative
/ PhD Physicist
/ Chemist

Dr. Christian Pioch
/ Partner
/ German Patent Attorney
/ European Patent Attorney
/ UPC Representative
/ Physicist