



SHARING OUR EXPERIENCE
IP LITIGATION IN CHINA
Licensing Executive Society - FRANCE
March 19th 2019 Paris

Isabelle Bissey-Pierre IP & Digital Legal Manager



ALL-CLAD | ARNO | ASIAVINA | CALOR | CLOCK | EMSA | ESTERAS | HEPP | IMUSA | KAISER | KRUPS | LAGOSTINA | MAHARAJA WHITELINE | MIRRO | MOULINEX |
OBH NORDICA | PANEX | ROCHEDO | ROWENTA | SAMURAI | SCHAEERER | SEB | SILIT | SUPOR | TEFAL | T-FAL | UMCO | WEAREVER | WMF



1. Groupe SEB in a nutshell





The World Reference in Small Domestic Equipment



- **9 products sold** in the world every second
- **300 million products sold** every year in more than **150 countries**
- **Leadership positions** in more than **25 countries** on all continents

2018 Key Figures



€6 812m sales



€695m
Operating
result from
activity



€419m
Net profit



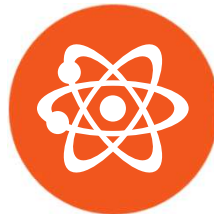
+33,000
employees



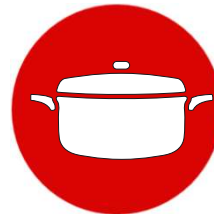
+1,400 people
Innovation
community



€225m
Innovation
investments



542 patents
(worldwide)



+1,200
own retail stores



40 industrial
sites including
10 in France



A Portfolio of 30 brands



CORE BRANDS



PREMIUM BRANDS



BTOB BRANDS



Innovation - Facts and Figures



- **More than 1 400** people (R&D, Marketing, Design)
- A budget of about **€225m** in 2017
- **542** patents in 2017 (worldwide)
- **Passion for Innovation**, one of the 5 values of the Group





IP & Digital Legal Department Isabelle Bissey-Pierre



Intellectual Property



Nabil Yanar
Intellectual
property
Lawyer
HPC –CK -
KW



Mélanie Benhaim
Intellectual Property
Lawyer
KE



Camille Ballufin
Intellectual
Property
Lawyer
Major brands
Protection of CK



**Aurélie
Daubenfeldt**
IP assistant
HPC CAM



**Nadège
Pitollet**
IP assistant KE
CAM



**Isabelle
Guesnon**
IP assistant
KE

Digital



**Isabelle
Doyon**
In house
Digital
lawyer

2. IP litigations in China



**WORKING IN THE FIELD TO BETTER LITIGATE and IMPORTANCE OF
CUSTOM PROTECTION YOUR IP RIGHTS**



**DEFEND
CREATION
& INNOVATION
ON THE FIELD**

IMPORTANCE OF CUSTOMS : a partner for collection of evidences

- Have your IP Rights registered / customs
- Training of Chinese customs
- Preservation of evidence : take some samples and goods released
- Preservation of property: seize a whole container : bond to be paid (value of the container: put pressure for big infringers when flagship products copied)
- The infringer may pay a counter bond
- Storage fees to pay



1. TRADEMARK LITIGATION IN CHINA

AIC (Administration for Industry and Commerce) : efficient administrative actions



EFFICIENT IN
CASE OF
CARBON
COPIES
of trademarks

Collection of
evidences

RAID ACTIONS

FAST

DESTRUCTION
OF
COUNTERFEITS



Some Chinese Provinces are protectionist – some are much more cooperative
Administrative action before IPO (for patent matters) are more hazardous

TEFAL TRADEMARK COPIES IN YIWU MARKET





TEFAL TRADEMARK COPIES (pressure cookers) Wuyi AIC

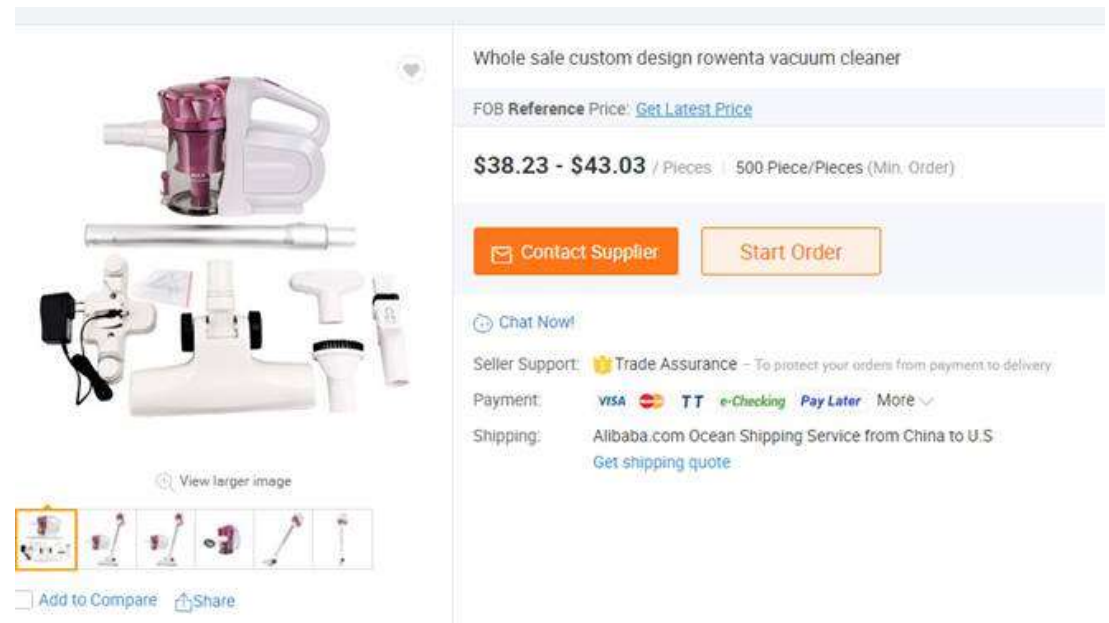


BRAND PROTECTION - MARKET PLACES - PLATFORMS

https://www.alibaba.com/product-detail/Whole-sale-custom-design-rowenta-vacuum_60808478070.html?spm=a2700.7724838.2017115.302.66a53c22rpaMuj

Monitoring on
websites &
market places

Use of our
brands to
attract
customers



CIVIL ACTIONS & CRIMINAL ACTIONS POSSIBLE **CAN BE DISSUASIVE**

Can be very dissuasive – can be sentenced to prison (already happened for MOULINEX trademarks copies – cooperation of Jiangmen police)

2. DESIGN PATENT LITIGATION IN CHINA

CARBON COPIES



Investigations

Monitoring

**To get
evidences**

**More difficult
when goods are
manufactured
in China for
export only**

**Civil actions
IP Courts**

**NO CRIMINAL
LIABILITY IN
PATENT LAW**

**Weak
damages**

**Not dissuasive
enough**

Infringement of our design COOKEO



Civil lawsuit
Guangzhou IP Court

Damages RMB60,000

Stopped infringement



Infringement of our design Fresh Express



ALMOST NO CHANCE WHEN NOT A CARBON COPY



We were obliged to act against European importers in Europe

Infringers file invalidation action
before PRB

Very weak chances of success when not a carbon copy



CONSIDERED AS
DIFFERENT



Genuine

Modified copy



Europe



3. INVENTION PATENT LITIGATION IN CHINA

BE PUGNACIOUS/ LITIGATING MEANS MANAGING BOTH INFRINGEMENT ACTIONS AND IN
// INVALIDATION ACTIONS: **2 different proceedings – Civil Court & PRB**

Investigations

Monitoring

To get
evidences

More difficult
when goods are
manufactured
in China for
export only

Civil actions
IP Courts

**CRIMINAL
LIABILITY IN
PATENT LAW
almost not
possible**

Weak
damages

Not dissuasive
enough



**Most of the time, infringers will attack validity of your patent before
PRB**

INVENTION PATENT LITIGATIONS IN CHINA

**Patent No. 1 Utility model on
anti-wedging means**



**Patent No. 2 Utility model on
the driving organ**



**Patent No. 3 Utility model on
the transparent cover for the
cutting tools**

Efficient civil actions on
ground of Chinese utility
models



INVENTION PATENT LITIGATIONS IN CHINA

Patent n° 1 PIONNIER :

Cooking method by stirring under heat flow

Patent n° 1b divisionnal during Removable internal bowl

Développment -2006

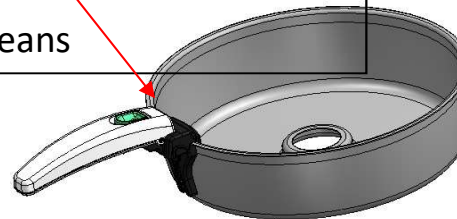


Patent N° 3 during development : february 2006

Food stirring paddle

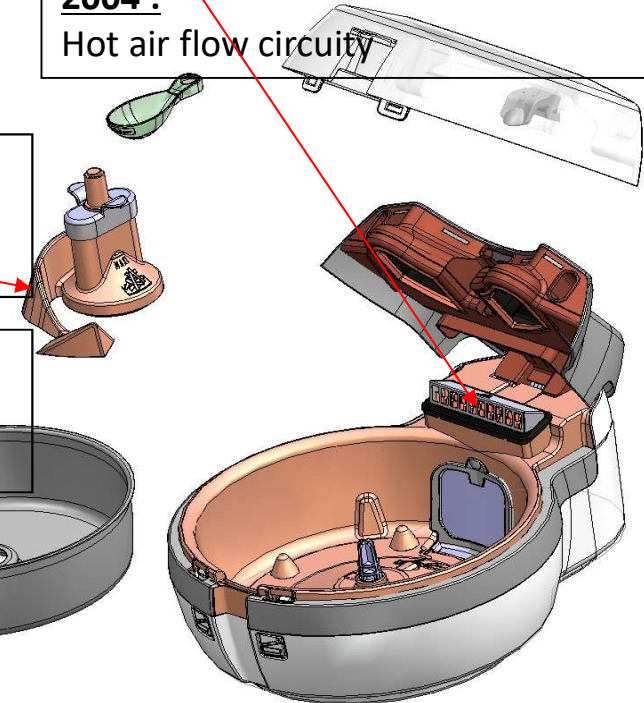
Patent N° 4 during development : february 2006

Food stopping means



Patent n° 2 : During Search – June 2004 :

Hot air flow circuitry





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a
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S
E
B



Several patents infringed



Vaten case



**CUSTOM
INTERCEPTION**

**BOND TO PAY
STORAGE FEES**

10 years of hard battle still going on

Since 10 years 7 infringers of Actifry patents: results of infringement actions depend on results of invalidation action

Around 20 invalidation actions on the core patents of Actifry – some of them are pending
(appeal & Supreme Court)
Patents considered as breakthrough technology and then totally cancelled and then recovered
and then again attacked

Lobbying is a reality in China

Enforcement of the decisions can be a real problem!

PIECE OF ADVICES

- ☐ WORK IN THE FIELD – Fighting infringement is impossible when only seated before your desk
 - ☐ REGISTER YOUR CHINESE IP RIGHTS AT THE CHINESE CUSTOMS
- ☐ FOR IMPORTANT TECHNOLOGY – PROTECT IT BY BOTH UTILITY MODELS & INVENTION PATENT
 - ☐ INVESTIGATIONS ARE OFTEN NECESSARY to get evidences
- ☐ CUSTOM INTERCEPTIONS (PRESERVATION OF PROPERTY – PRESERVATION OF EVIDENCE)
- ☐ FOR DESIGN PATENTS ENFORCEMENT, HAVE A NOVOITY REPORT DONE BY SIPO BEFORE FILING ANY INFRINGEMENT LAWSUIT
- ☐ FOR INVENTION PATENT ENFORCEMENT, EVALUATE FIRST THE VALIDITY ACCORDING TO CHINESE CRITERIA
- ☐ ACCORDING TO THE SITUATION CHOOSE THE MOST APPROPRIATE STRATEGY: ADMINISTRATIVE ACTIONS –CIVIL – CRIMINAL ACTION
 - ☐ BE AWARE OF THE STRENGTH OF LOBBYING IN CHINA – DO NOT NEGLECT IT
- ☐ INTEGRATE POSSIBILITY TO NEGOTIATE – CHINESE PEOPLE DO NOT LIKE LOSING FACE
 - ☐ BE PUGNACIOUS



THANK YOU FOR YOUR ATTENTION