

Monthly Newsletter

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Chang Tsi & Partners Featured in "Guide to Premium Intellectual Property Legal Services Brands (2023)"

On August 18, 2023, Legal Insight unveiled the highly anticipated "Guide to Premium Intellectual Property Legal Services Brands (2023)".

This comprehensive guide is a profound exploration of China's intellectual property legal service brands. Through methods including public information retrieval, lawyer/agent and client surveys, and industry expert interviews, Legal Insight conducted an in-depth analysis of intellectual property lawyer teams, law firms/agency brands across 31 provinces, autonomous regions, and municipalities (excluding Hong Kong, Macau, and Taiwan).

The guide showcases 65 law firms, 197 lawyers, 10 agencies, and 27 patent agents. Chang Tsi & Partners stood out with remarkable achievements and professional dedication, earning a spot in the guide's list of featured firms.

Simultaneously, four of our lawyers were recognized in the guide as exceptional legal practitioners. This recognition underscores their exceptional skills and significant contributions in the field of intellectual property.

Furthermore, we take immense pride in being shortlisted as a "2023 Top Intellectual Property Professional Brand".



As a law firm committed to delivering top-tier legal services, Chang Tsi & Partners will continue to uphold the ideals of excellence. We remain dedicated to providing comprehensive intellectual property legal support, contributing to the thriving development of the legal industry and offering unparalleled service to our valued clients.

General Guarantee with the General Administration of Customs in China

After China lifts the epidemic control policy and under the effect of recent exchange rate, exportation businesses are recovering rapidly. This change has been reflected on the increasing number of customs seizures this year.

I.Importance and Necessity for Applying the General Guarantee

Given that intellectual property right holders value brand protection through Chinese customs, we recommend applying for General Guarantee with the General Administration of Customs (the "GAC"). You may understand that the most burdensome aspect of customs enforcement is to submit a bond payment to the relevant port customs where the goods have been detained. Every time we filed the customs seizure, we will be required by the customs to pay different amounts of bonds within a very limited time (around 3 days). If we could not pay the bond timely, the customs will not seize the goods and we will miss the deadline for catching the counterfeiting goods.

While if the General Guarantee is filed and accepted, intellectual property right holders do not need to make bond payments each time when filing the customs seizures. All the customs around China will directly seize the goods when receiving our seizure application, without requiring urgent payments for the bonds every time. This approach will significantly save client's time and efforts in paying the bonds, and avoid the risk that the cash bond is not paid in a timely manner. Therefore, applying for the General Guarantee with GAC is of great benefit to intellectual property right holders.

II.Procedure and Materials for Filing the Application

Step 1: Determining the Amount of General Guarantee

The amount of the general guarantee shall be equivalent to the sum of the warehousing, safekeeping and disposal expenses incurred by the intellectual property right holder in the previous year. Where the right holder has not applied to the customs for seizure in the previous year or the warehousing and disposal fee is less than CNY 200,000 (around USD 28,740), the amount of the general guarantee shall be CNY 200,000 (around USD 28,740).

Step 2: Bank Issuing the Letter of Guarantee

After determining the total amount of guarantee to be submitted, we shall apply to the bank for the issuance of a general guarantee letter and sign a guarantee agreement. The bank that can issue the general guarantee letter shall be a bank that has been approved to carry out financial business in mainland China. As for "bank that has been approved to carry out financial business in mainland China", it can be either a domestic Chinese bank or a branch of a foreign bank that can conduct financial services in mainland China. Moreover, if the IPR holder is a foreign company, it is also possible for the IPR holder's domestic subsidiary to apply to the bank for a general guarantee bond, which will not affect the guarantor's performance of its guarantee obligations to Customs. The bank issues a general guarantee in favor of GAC in accordance with the guarantee agreement and in the form prescribed by GAC. The bank issuing the general guarantee letter shall be jointly and severally liable for the performance of the legal obligations of the right holder.

Step 3: Filing the Application to GAC

When applying to the GAC for a general guarantee, the right holder shall submit the documents below:

1. an application for general guarantee;
2. a letter of guarantee for general guarantee issued by a bank; and
3. a list of storage and disposal fees incurred by the intellectual property right holder in the previous year.

Step 4: Review and Approval by GAC

The GAC shall issue a notice of approval to the applicant when approving the application for general guarantee. The effective period of General Guarantee is from the date of approval to December 31 of that year.



General Guarantee with the General Administration of Customs in China

Ason Zhang

Mr. Ason Zhang provides consultation services on a wide range of intellectual property issues in China, in contentious and non-contentious matters. He specializes in developing intellectual property strategy and enforcement programs for many multinational corporations.

Introducing Chang Tsi & Partners' AI Development: IT Director's Lecture & AI Assistant

Chang Tsi & Partners is dedicated to leading in the field of intellectual property, with a strong focus on information technology.

Recently, Kevin Yuan, our IT Director, had the honor of delivering a compelling lecture titled "Navigating Technological Impact: The Legal Industry Beyond ChatGPT" at the Law School of Central University of Nationalities.



We are devoted to cultivating top-tier legal talent and embracing technological advancements to provide exceptional legal services to our clients. With the introduction of the AI Assistant, we are poised to forge a path towards a brighter future in the legal landscape.

Chang Tsi & Partners' AI Assistant is a powerful Chrome extension designed to enhance our legal team's productivity. With features like instant translation, summarization, and quick access to professional terminology, it streamlines case analysis and information retrieval. The AI Assistant's AI-powered search engine support ensures efficient problem-solving.

We are committed to staying at the forefront of technology, providing high-quality legal services to our clients. Embracing innovation, we shape a brighter future for the legal industry.



In his lecture, Kevin Yuan delved into the evolution of AI in the legal field, recent developments in AI-generated content, and its implications for legal professionals. Additionally, he introduced the Chang Tsi & Partners AI Assistant, a Chrome extension designed to enhance productivity and efficiency in legal work.



Things About Partial Design Patent Prosecution We Should Note in China

Following the Fourth Amendment to Patent Law became effective on June 1, 2021, the partial design gets allowed in China. At the very beginning of 2023, the Chinese Patent Office issued a bunch of interim provisions, guiding on how the Fourth Amendment would be enforced, among which only the following two provisions are related to how a partial design should be examined:

i. A partial design generally shall be represented in solid lines in combination with broken lines; if not represented in this way, the applicant shall specify the claimed part in the brief description.

ii. Where the claimed part of a partial design contains a 3-dimensional shape, a perspective view showing this part clearly shall be submitted.

Besides these, however, the Chinese Patent Office did not issue any official rules in detail on how partial designs would be examined to date. Currently, Chinese lawmakers are still working on the Draft Guideline for Patent Examination and Draft Implementation Regulations of Patent Law, but the Examiners have started examination on partial designs filed as of June 1, 2021 and issued Office Actions for them. From the Office Actions we received and communication with the Examiners recently, the following issues and recommendations for partial design filings are provided.

1. The title for partial designs shall specify the name and the claimed part of the product.

For instance, if the claimed part is the handle of a cup, then the title “cup” would not be acceptable and the Examiner would require to amend it to read “handle of cup.” Sometimes, it is hard to give a specific name for the claimed part, for example, the design for a desk just excludes the protection of the screws represented in dotted lines. In that case, the title “main body of desk” would be fine.

2. Surface shadings are still not allowed for partial designs.

The drawings for a Chinese design application could be in the form of line drawings, rendered drawings, or photographs. Before the Fourth Amendment, line drawings cannot contain surface shadings. For the partial designs that get allowed under the Fourth Amendment, surface shadings on either the claimed part or the unclaimed part are still not acceptable.

3. A design for the whole product and a design claiming a part of that product might not be allowed to be put in a single application.

Under China’s practice, a single design application may include up to 10 similar designs that are related to the same product and the differences therebetween are subtle. Some Examiners contend that a design for the whole product and a design claiming a part of that product cannot be put in such a single application as similar designs. In contrast, some other Examiners hold that this should not be mandatory and shall depend on whether the claimed parts in the two designs look similar. Given this, the cost-effective way would be to file such designs in a single application first and divide them into separate applications if the Examiner deems them dissimilar.

4. The claimed part shall form a relatively complete design unit or separate area.

The Draft of the Patent Examination Guidelines stipulates that the claimed design shall form a relatively complete design unit or separate area. Although this Draft has not been passed yet, for such a formality issue, the Applicant may simply make a slight amendment to the drawings, i.e., amend the broken lines that connect the solid lines into solid lines so that the solid lines form a relatively complete design unit or separate area, so as to move the application forward for allowance shortly.



5. A design with just a pattern or a combination of pattern and color on the surface of a product is not eligible.

The Draft of the Patent Examination Guidelines also stipulates that the claimed design shall NOT be a pattern or a combination of the pattern and color on a surface of a product, such as the patterns on the surface of a motor. We have seen a couple of cases receiving Office Actions with this issue raised, however, the aforesaid Draft is not passed yet and the Examiners in charge just cannot give any other effective legal basis in this regard.

Considering the current situation, for such an eligibility matter, the Applicant may try to argue with the Examiner in terms of the following aspects:

- a. The Examiner fails to provide the legal basis for this Rejection. In particular, although the Draft of the Patent Examination Guidelines (hereinafter referred to as “the Draft”) stipulates that the claimed design shall NOT be a pattern or a combination of the pattern and color on a surface of a product, such as the patterns on the surface of a motor, it has not been passed yet. That is to say, the Draft is not an effective law now. However, the legal basis shall be an effective law, rather than a Draft that has not been passed. Applying such a Draft, in this case, would violate the principle of nonretroactivity.
- b. According to the current Patent Examination Guidelines (Section 7.2, Chapter 3, Part I), the combinations that may constitute a design include the shape of a product; the pattern of a product; the shape and pattern of a product; the shape and color of a product; the pattern and color of a product; the shape, pattern, and color of a product. In other words, the currently effective laws and regulations do recognize the pattern of a product and the pattern and color of a product as design patentable.

6. The Fourth Amendment does not apply to a divisional application filed after June 1, 2021 with its parent application filed before that date.

Although the Fourth Amendment became effective on June 1, 2021, applying to the applications filed on and after that date, things might be different if it is a divisional application. If the parent application was filed before June 1, 2021, the divisional application cannot claim partial design protection even if it is filed on or after that date.

With the above being said, many Examiners indicate that the examination standards for partial designs are indeed not certain at this stage and might be changed based on the Applicants’ feedback. In view of this uncertainty, it would be advisable to try to communicate with the Examiner in charge for every case to discuss the most viable response strategy and convey our comments and suggestions to the officials.



Vickie Wang

Attorney at Law
Patent Attorney

As a patent attorney, Vickie is mainly responsible for dealing with patent applications, patent reexamination, patent invalidation matters, and patent infringement and stability analysis. Vickie also offers related consultation services, especially for foreign customers. Her major technical fields include machinery, electromechanical, engineering technology, and design.