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HARTING TECHNOLOGY GROUP WINS PATENT INFRINGEMENT CASE IN CHINA

The IP team of SNB-Shanghai has successfully assisted and represented the German HARTING technology group in a patent infringement lawsuit before the Shanghai 2nd Intermediate Court.

1. The Case

The HARTING technology group develops customer-oriented solutions and products like plug connectors for energy and data transmission and data connection in the fields of electrical, electronic and optical connection technology, transmission technology, network technology, manufacture, mechatronics and software creation. In September 2009 HARTING instructed our law firm to investigate the infringement of their Chinese patent concerning a holding frame and modules for industrial connectors commonly used in the rail and air transportation. The infringement was committed by a Chinese competitor, Xiamen De Li Xing Co., Ltd. (aka SIBAS). In February 2010, after a few months of investigation and evidence collection, we filed a civil lawsuit against SIBAS before the Shanghai 2nd Intermediate Court for patent infringement and demanded cessation of the infringement and 1,000,000 RMB (about 118,000 Euros) in damages.

2. The Judgment

On June 23, 2010, the Shanghai 2nd Intermediate issued a civil judgment declaring the defendant SIBAS to be the infringer of the Chinese patent of our client and ordered SIBAS to pay compensation in the amount of 300.000 RMB plus legal costs in the amount of ca. 100,000 RMB.

Although the amount of awarded damages was lower than the amount demanded by the client, the latter has benefited by the fact that the litigation has lasted a very short time, i.e. 5 months (shorter than in most European jurisdictions). Furthermore, the litigation has brought, even before the issuance of the judgment, the cessation of the infringement, thus preventing the infringer to gain additional illegal profit. Additionally, we expect the judgment to have a positive impact on the market. In fact, this will not only downsize the market position of the infringer and competitor, but it will also serve as a warning to other Chinese competitors and present or future infringers.

3. The Lesson

Contrary to the highly publicized landmark lawsuit Neoplan Bus GmbH v. Zonda, where our law firm successfully represented Neoplan Bus GmbH, the present case shows once again how a more ordinary patent litigation case in China can be successfully organized. This can serve as a positive sign for many medium-sized businesses that suffer similar problems.

The key to success for a foreign enterprise in a Chinese patent litigation lies in a comprehensive patent portfolio, which will provide the needed rights to the marketed products, and a professional organization of the enforcement strategy.

We will be glad to receive your inquiries about this case. Please do not hesitate to contact our Shanghai-IP team at snbip@snblaw.com or by calling Dr. Jörg-Michael Scheil or Dr. Paolo Beconcini to the following telephone number: +86 21 6219 8370.