

## **SPC Releases Ten Representative Intellectual Property Cases for 2025**

On April 20, 2025, the Supreme People's Court of China released its annual representative intellectual property (IP) cases for 2025.

Each year, around the World Intellectual Property Day (April 26), the Supreme People's Court publishes a selection of representative IP cases concluded in the preceding year. The 2025 list comprises ten cases, including one administrative case, one criminal case, seven civil cases, and one criminal case with an incidental civil action. In terms of the types of rights involved, the selected cases include one patent case, four trademark cases, one copyright case, and five unfair competition cases (with some overlap among categories). As in the previous year, unfair competition disputes accounted for a significant portion of the selected cases.

### **Patents**

One civil case involving the application of the doctrine of equivalents in the field of power management integrated circuits was selected (Case 2, discussed below).

### **Trademarks**

The selected cases include: an administrative case concerning the registrability of a phrase trademark (Case 1); a civil case in which punitive damages were awarded against a business operator that manufactured and sold refurbished products made from recovered used goods bearing another party's trademark, in addition to having been subjected to criminal penalties; and a coordinated civil-criminal case involving the manufacture and sale of counterfeit products, in which the defendant was held civilly liable and prosecuted criminally.

### **Copyright**

One case addressing the liability of an e-commerce platform operator that facilitated the sale of pirated e-books was selected.

### **Unfair Competition**

The selected cases covered a broad spectrum of misconduct, including: a criminal case involving the misappropriation of technical trade secrets by a former employee; a civil case concerning the poaching of employees from a competitor through circumvention of non-compete obligations; a civil case involving the sale of data obtained through improper web scraping from Taobao and Tmall; a civil case concerning defamatory statements made about a competitor and its management on social media platforms;

and a civil case in which repeated filings of trademark applications similar to another party's trademark were held to constitute unfair competition (Case 10).

As in the previous year, no cases relating to new plant varieties or antitrust law were included in the list.

In addition, representative cases frequently include disputes involving foreign enterprises. This year was no exception: Case 1 involved the U.K. fragrance company Penhaligon's, while Case 2 involved the Chinese subsidiary of the U.S. semiconductor company Monolithic Power Systems (MPS).

Overall, the 2025 selection appears to place greater emphasis on demonstrating the courts' firm stance against malicious infringement and misconduct warranting criminal sanctions, rather than on addressing complex legal issues. With respect to online unfair competition-related disputes, the selected cases differed from many of those featured in the 2024 list, which often involved emerging technologies. Instead, the 2025 cases focused largely on more traditional forms of misconduct, such as the misappropriation of trade secret by former employees and dissemination of disparaging statements about competitors through online videos.

The following sections summarize three of the ten representative cases that are relevant to patents and trademarks: Cases 1, 2, and 10.

- **Case 1: Trademark Rejection Appeal Concerning the Mark “乔治勋爵的悲剧 (The Tragedy of Lord George)”<sup>1</sup>**

This case is an administrative lawsuit seeking judicial review of a TRAB decision dismissing an appeal against a trademark refusal. It is a representative case addressing the distinctiveness of phrase marks.

The plaintiff, PENHALIGON'S LIMITED ("Penhaligon's"), a U.K. company, filed a trademark application on June 24, 2021, seeking registration of the mark “乔治勋爵的悲剧” (“The Tragedy of Lord George”) for perfume and other goods in Class 3. In the fragrance industry, a number of similarly styled phrase marks had already been registered, including “蓬帕杜夫人的茶杯(*Madame de Pompadour's Teacup*)”, “花花公主的秘密(*The Secret of Princess Flower*)”, “莎菲女士的日记(*The Diary of Lady Safi*)” and “奥德利夫人的秘密(*The Secret of Lady Audley*)”. Since 2020, Penhaligon's had marketed and sold perfumes under the “乔治勋爵的悲剧” brand in China.

The China National Intellectual Property Administration (CNIPA) examined the application and found that the mark consisted of a phrase and was unlikely to function as a badge of origin for the relevant goods. CNIPA therefore held that the mark lacked distinctiveness under Article 11(1)(iii) of the *Trademark Law* and rejected the application. Both the first-instance and second-instance courts upheld the refusal. Penhaligon's subsequently petitioned the Supreme People's Court for a retrial.

The Supreme People's Court reached a different conclusion. The Court found that the phrase was not a common expression or ordinary wording used in everyday language. Rather, its composition, meaning, and pronunciation possessed a certain degree of originality. In addition, none of the constituent elements constituted generic or customary terminology within the perfume industry. The Court further held that the phrase did not function as an advertising slogan or descriptive expression and bore no relationship to the functions, uses, or other characteristics of the designated goods. Taking into account the trademark registration practices within the relevant industry, as well as the mark's actual use in the marketplace, the Court ultimately overturned both lower-court judgments and the challenged refusal decision.

This decision provides important guidance regarding the assessment of distinctiveness for phrase-based trademarks and offers several practical lessons for brand owners:

- (1) **Emphasize originality when creating brand names.** Applicants should avoid commonly used expressions within the relevant industry as much as possible. However, applicants should not hesitate to seek registration of creative phrase trademarks.
- (2) **Maintain evidence of use.** Evidence demonstrating actual market use can play a significant role in supporting trademark registration. However, applicants should exercise caution when using signs that may raise concerns under Article 10 of the Trademark Law.
- (3) **Leverage comparable registrations.** Prior registrations within the same industry may serve as persuasive evidence in administrative review proceedings and subsequent trademark litigation.

## ● Case 2: Patent Infringement Dispute Involving a Power Management IC<sup>ii</sup>

This case concerns the application of the doctrine of equivalents in assessing patent infringement involving a power management integrated circuit (PMIC).

The plaintiff, Chengdu Monolithic Power Systems Co., Ltd., is the Chinese subsidiary of Monolithic Power Systems, Inc. (MPS), a globally competitive U.S. fabless semiconductor company, and owns a patent entitled “Control circuit for synchronous rectifier and the method thereof.”

In September 2020, the plaintiff filed a patent infringement lawsuit against a Shenzhen-based technology company, alleging that the defendant's PMIC infringed its patent. The plaintiff sought an order requiring the defendant to cease the infringing activities and to pay RMB 10 million in damages.

The Chengdu Intermediate People’s Court, acting as the court of first instance, found that the defendant's circuit module constituted an equivalent feature to the pulse signal generation function recited in Claim 1 of the asserted patent. The court therefore held that the defendant had infringed the patent and ordered it to cease the infringing activities and pay damages of RMB 1.2 million. The defendant was dissatisfied with the judgment and filed an appeal.

On appeal, the Supreme People's Court emphasized that, when construing patent claims in the field of electrical engineering involving logic circuits, emphasis should be placed on understanding the logical connections among the technical features, the direction of signal flow, and control timing. Technical features should not be interpreted in isolation, detached from the logical chain in which they are situated. The Court further stated that the pulse signal generation recited in the asserted claim should be interpreted from the perspective of a person skilled in the art, taking into account the invention as a whole as reflected in the claim, together with the specification, drawings, common general knowledge in the relevant technical field, and the specific feature recited in the claim. Applying these principles, the Court concluded that the defendant's circuit module differed from the pulse signal generation feature of Claim 1 of the patent in suit in terms of its means, function, and effect, and therefore did not constitute an equivalent feature. Accordingly, the court reversed the first-instance judgment.

The parties had been engaged in parallel patent infringement and trade secret litigation in the United States since 2020. Following the settlement of the U.S. litigation, the issuance of this judgment in China attracted considerable attention for bringing a five-year global dispute between the parties to a close.

In selecting this case as one of the representative IP cases of 2025, the Supreme People's Court commented that: *"This judgment clarifies the key considerations governing patent*

*claim construction and the assessment of infringement under the doctrine of equivalents in the relevant technical field. It provides a valuable judicial reference for similar disputes and represents a meaningful effort to strike an appropriate balance between safeguarding the public interest and fostering innovation."*

- **Case 10: Unfair Competition Case Involving Trademark Filings Related to “藍妹”(Blue Girl) Beer<sup>iii</sup>**

This case is a representative example of the coordinated application of *China's Trademark Law* and *Anti-Unfair Competition Law* to curb persistent and repetitive bad-faith trademark filings.

The plaintiff, Blue Girl Beer (Guangzhou) Co., Ltd. (“Blue Girl Beer”), is a joint venture established by Budweiser Group and Jebsen Group, both leading enterprises in the beer industry. Blue Girl Beer markets premium beer under the “Blue Girl” brand, particularly in Hong Kong and Guangdong Province, and owns the “藍妹” (Blue Girl) series of trademarks, which enjoy a certain degree of market recognition and reputation.

The defendant, a Guangdong-based trading company also engaged in the beer business, repeatedly instructed a Guangzhou trademark agency to file more than a dozen trademark applications incorporating signs similar to “藍妹”, including “藍味啤酒” (“Blue Taste Beer”), which has a similar pronunciation to “藍妹” in Chinese, and “藍魅啤酒” (“Blue Charm Beer”), which is pronounced identically or similarly to “藍妹” (Blue Girl). Two of those marks were subsequently licensed to third parties. The trademark agency that handled the filings was named as a co-defendant in the proceedings.

Prior administrative decisions and court judgments had already determined that the above marks filed by the defendant were similar to the plaintiff's “藍妹” (Blue Girl) series of trademarks. The authorities further found that the defendant company had intentionally copied and imitated another party's well-known trademark and sought registration through improper means. As a result, all of the disputed trademark applications were ultimately refused, rejected or invalidated.

Blue Girl Beer subsequently brought an unfair competition lawsuit, alleging that the defendant company's repeated bad-faith trademark filings and the trademark agency's assistance in facilitating those filings constituted unfair competition. The plaintiff sought orders requiring both defendants to cease the alleged unfair competition, RMB

1 million in damages and reasonable expenses from the defendant company and joint liability of RMB 250,000 from the trademark agency.

In the first-instance judgment, the Yuexiu District People's Court of Guangzhou held that the defendant company's continuous and repeated filing of trademark applications similar to the “藍妹” (Blue Girl) series trademarks, while being aware of those marks, clearly exceeded the needs of normal production and business operations, had the purpose of free-riding on Blue Girl Beer's goodwill and seeking improper gains, and therefore constituted bad-faith trademark registration conduct. Moreover, licensing two of the disputed trademarks to third parties constituted trademark stockpiling for profit, reinforcing the unfair nature of the conduct. As for the trademark agency, the court held that it had knowingly assisted in the defendant company's bad-faith filing strategy and therefore constituted contributory infringement. As a result, the court ordered the defendant company to pay RMB 500,000 in damages and the trademark agency jointly liable for up to RMB 100,000. On appeal by the trademark agency, the Guangzhou Intellectual Property Court dismissed the appeal and upheld the first-instance judgment.

This judgment takes a firm stance against the large-scale and repetitive trademark filings, even where an earlier court decision had already determined that the registrations were made in bad faith. The court held that trademark hoarding beyond legitimate business needs, carried out in bad faith and for the purpose of free-riding on another party's goodwill, may constitute unfair competition and fall within the scope of unfair competition regulation. In doing so, the decision establishes a coordinated framework between administrative trademark regulation and civil judicial remedies in addressing bad-faith trademark filings. It opens a new avenue of protection for trademark owners by confirming that, while administrative procedures may be used to prevent or invalidate the registration of bad-faith marks, civil litigation may simultaneously provide a basis for seeking damages. As such, the judgment represents a significant development in the enforcement toolkit available to rights holders confronting bad-faith trademark practices.

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<sup>i</sup> Case No. (2025) SPC Administrative Retrial No. 200

<sup>ii</sup> Case No. (2023) SPC IP Civil Final No. 2903

<sup>iii</sup> Case No. (2025) Guangdong IP Court Civil Final No. 656