

## **Mitsubishi Chemical Confirms Victory in Chinese Red Phosphor Patent Infringement Lawsuit against Yantai Shield Advanced Materials**

Mitsubishi Chemical Corporation

Mitsubishi Chemical Corporation (MCC; Head office: Chiyoda-ku, Tokyo; President: Masayuki Waga) has again, following the first instance, obtained a judgment in the second (final) instance recognizing the infringement of its patent ZL201110066517.7 (this patent\*<sup>1</sup>) in China for red phosphor, owned by MCC and the National Institute for Materials Science (NIMS), by Yantai Shield Advanced Materials Co., Ltd. (Shield), thereby securing MCC's victory in this case.

In January 2015, MCC filed a suit against Shield in the Shenzhen Intermediate People's Court alleging an infringement of this patent, seeking an injunction on the production and sales of phosphors in China as well as damages. In October 2018, the Court ruled in favor of MCC and ordered the injunction against the infringement of this patent by Shield and payment of damages amounting to two million yuan (approximately 32 million yen). Shield objected to this judgment and appealed to the Guangdong Higher People's Court in November 2018; however, the Court completely dismissed the arguments of Shield, and passed their final judgment in December 2020 in support of the judgment of the first instance, granting a win to MCC in this case.

In conjunction with the infringement lawsuit of this patent, Shield objected to the decision in the instance for patent invalidation by the Patent Re-examination Board determining the validity of this patent, and filed appeals for the first instance of administrative litigation in July 2016, and the second (final) instance of administrative litigation in December 2018. However, the Courts completely dismissed the arguments of Shield, and passed a judgment in support of the validity of this patent thereby securing its validity\*<sup>2</sup>. The judgment of this infringement lawsuit brings a conclusion to the litigation in China fought with Shield.

China is the world's largest producer of LED packages, and also boasts the largest production of white LED devices, the main application for red phosphor. Winning this litigation and having the Court fully recognize MCC's claims in China and uphold the judgment of the first instance to order an injunction against the infringement activities of Shield as well as compensation for damage has great significance for MCC, which had made significant investment and worked to develop this business in a proactive manner for many years. This judgment is also important not only for the phosphor industry, but also for the white LED industry as a whole, and MCC believes it will lead to sound growth and the maintenance of order in both industries.

MCC will continue to value its own intellectual property rights and respect the IP rights of other companies. MCC shall not overlook any infringements of its IP rights by other companies and intends to take appropriate action in any future cases of infringement.

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- This patent is a basic patent covering nitride-type red phosphor known as SCASN or 1113 phosphor and LED devices that use the phosphor, and is registered in Japan, the U.S., Korea, Taiwan, and Germany, as well as in China. MCC owns numerous relevant patents other than the one above for CASN, SCASN, or 1113 phosphor.
- This patent has also obtained a definitive judgment that the patent is valid in the administrative litigation with China's Intematix Suzhou Lighting Co., Ltd.
- LED devices using the red phosphor designated in this patent require a license from the co-owner of the patent, NIMS.

\*2

Please refer to the press release issued on June 5, 2020 for details.

[https://www.m-chemical.co.jp/en/news/2020/\\_icsFiles/afieldfile/2020/06/11/redphosphorpatent.pdf](https://www.m-chemical.co.jp/en/news/2020/_icsFiles/afieldfile/2020/06/11/redphosphorpatent.pdf)

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