

March 24, 2021

Mitsubishi Chemical Confirms Victory in Chinese Red Phosphor Patent Infringement Lawsuit against Intematix of U.S. and Chinese Two Companies

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*¹) in China for red phosphor, owned by MCC and the National Institute for Materials Science (NIMS), by U.S.-based Intematix Corporation, its affiliate in China, Intematix Suzhou Lighting Co., Ltd., and its sales agency, GrandLux Optoelectronics Co., Ltd. (collectively, "Intematix and two companies"), thereby securing MCC's victory in this case.

In January 2015, MCC filed a lawsuit against Intematix and two companies 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 July 2019, the Court ruled in favor of MCC and ordered the injunction against the infringement of this patent by Intematix and two companies and payment of damages amounting to two million yuan (approximately 32 million yen)*². Intematix and two companies objected to this judgment and appealed to the Supreme People's Court of the People's Republic of China in August 2019; however, the Court completely dismissed the arguments of Intematix and two companies, and passed their final judgment in February 2021, granting a win to MCC in this case.

In order to protect its intellectual property rights in China, MCC has filed and handled infringement lawsuits and administrative litigation against Intematix and two companies, as well as against Yantai Shield Advanced Materials Co., Ltd. (Shield)*³, on the grounds of their intellectual property infringements. The judgment in the second instance of this infringement lawsuit against Intematix and two companies puts a termination to MCC's litigation in China, which continued for approximately six years.

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 both its infringement lawsuits and administrative litigation in China against Intematix and two companies, as well as against Shield, has great significance for MCC, which for many years has made active investments, taken the initiative to develop business, and made proactive use of its intellectual property rights. MCC's victories in its litigation in China are 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.
- LED devices using the red phosphor designated in this patent require a license from the co-owner of the patent, NIMS.

*2 Press release issued on August 29, 2019

https://www.m-chemical.co.jp/en/news/2019/1207229_7665.html

*3 Press release issued on January 26, 2021

https://www.m-chemical.co.jp/en/news/2021/_icsFiles/afieldfile/2021/01/27/patenteg.pdf

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