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China Launches Nationwide Anti-piracy Film Campaign

A nationwide campaign against pirated movies has been launched in China ahead of the upcoming Spring Festival holiday, authorities announced on Tuesday.

The campaign, jointly carried out by the National Copyright Administration, the China Film Administration, the Ministry of Public Security and the Ministry of Cultural and Tourism, aims to strengthen film copyright protection, maintain order in the film market and foster a healthy viewing environment.

Authorities released a warning list of key films under copyright protection and pledged to intensify offline inspections and online monitoring. They said they will crack down on illegal activities such as covert recording in cinemas, unauthorized distribution and the sale of infringing and pirated intellectual property derivative products in accordance with the law.

Stricter oversight will be imposed in cases involving young people being drawn into illegally recording films, with internet platforms urged to take greater responsibility for reviewing uploaded content, the authorities said.

They also called for stronger efforts to promote integration and upgrading in the film industry, enhance copyright education and raise public awareness of respecting intellectual property rights.

https://chinaipr.mofcom.gov.cn/article/centralgovernment/202602/1995179.html

Chinese Courts Boost Pretrial Mediation, Resolve 4.32 Million Disputes in 2025

Chinese courts saw a consistent rise in pretrial mediation efforts in 2025, achieving an average quarterly growth rate of 28 percent and successfully resolving over 4.32 million disputes, an official from China's top court announced on Friday.

Qian Xiaochen, chief judge of the Supreme People's Court (SPC)'s Case-Filing Division, told a news conference that courts nationwide have always prioritized the preferences of litigants and focus heavily on pre-litigation mediation, aiming to not only safeguard their rights but also aid in resolving disputes more efficiently.

He noted that courts across the country have actively collaborated with government departments and industry associations in areas such as finance, commerce, and intellectual property. These collaborations provide guidance for these entities to leverage their professional expertise within the legal framework to assist in addressing disputes.

To advance the cooperation, the top court has established a mechanism for work coordination and information sharing with these departments, aiming to achieve a seamless connection between litigation and mediation by integrating resources from all parties, according to him.

He cited data showing that by the end of 2025, about 38,000 mediation organizations and 96,000 mediators had joined the mechanism, up 3.3 percent and 8.9 percent year-on-year, respectively.

"Under this mechanism, experts from various industries are guided by judges to mediate disputes related to their areas of expertise, enhancing the quality and efficiency of the mediation process," he said, revealing that the departments mediated 985,000 cases in 2025 under the guidance of courts.

https://chinaipr.mofcom.gov.cn/article/centralgovernment/202602/1995071.html

China's Top Court Balances Innovation, Public Interest in IP Protection

China's top court has underscored the importance of rigorously protecting intellectual property rights while ensuring a balance between public interest and innovation incentives in case handling.

Amid a rise in cases involving high compensation and punitive damages for IP violators, He Zhonglin, deputy chief judge of the Intellectual Property Court of the SPC, highlighted the necessity of safeguarding current innovations while allowing room for future developments.

He described protection and interest balancing as two integral aspects of IP protection, noting that protection is the foundation, whereas interest balancing is the ultimate goal.

Since the establishment of the IP Court, a division of the country's top court, in January 2019, punitive damages have been awarded in 58 cases, with total compensation reaching 2.05 billion yuan ($295 million), according to data he cited.

He also revealed that 73 cases involved compensation exceeding 10 million yuan each, totaling 5.24 billion yuan.

These figures reflect a strong judicial stance and intensified efforts to protect IP rights, which are mandated by the central leadership and emphasized in Chinese laws, he said.

"High compensation also directly mirrors the significant development of China's economy and technology, the expansion of market scale, the growth of enterprises, and intensified market competition," he explained.

"As China advances toward high-quality development, intellectual property is increasingly becoming a core asset for enterprises and a critical tool for market competition. Consequently, its market value is rising, and the impact of infringement is becoming more severe," he added.

In recent years, the court has increasingly focused on cases involving cutting-edge technology sectors, with a growing number of cases related to strategic emerging industries, he said, adding that it has led to a significant increase in both the number of high compensation cases and the amounts awarded.

In response to whether higher compensation are always better, he emphasized that the court fundamentally makes judicial decisions based on evidence. While increasing compensation for cases with high levels of innovation and significant infringement harm, the court also

appropriately awards lower compensation for cases with general levels of innovation and minor infringement.

"The court will continue to uphold strict protection while better managing the balance of interests between rights holders and the public, aiming to achieve a balance between protecting rights and promoting innovation, further stimulating innovation drive and market competition vitality," he concluded.

https://english.cnipa.gov.cn/art/2026/2/5/art_2975_203959.html

Chinese Mainland Reaches 2.29 Million High-Value Invention Patents in IP Quality Pursuit

The number of high-value invention patents held on the Chinese mainland had reached 2.29 million by the end of last year, growing at a faster pace than that of overall invention patents, China's top intellectual property regulator said on Friday.

According to the China National Intellectual Property Administration (CNIPA), the number of valid invention patents held on the Chinese mainland had reached 5.32 million by the end of 2025. The year-on-year growth rate of high-value invention patents was 2.2 percentage points higher than that of the country's total invention patents last year.

The CNIPA also said that the share of high-value invention patents in terms of China's total number of valid invention patents had stood at 43.1 percent in 2025, up 2.9 percentage points compared to 2020.

"It reflects a continuing rise in the share of invention patents that possess higher technological sophistication, greater market value and more stable IP rights protection," Liang Xinxin, a senior CNIPA official, said at a press conference.

About 70 percent of these high-value invention patents are concentrated in strategic emerging industries. The fastest growth was seen in fields such as information technology management, computer technology and medical technology, with AI-related patents ranking among the top globally.

The CNIPA also highlighted that the average ownership of high-value invention patents had risen to 16 patents per 10,000 people, exceeding the target of 12 set for the country's 14th Five-Year Plan period (2021-2025).

Noting that this serves as an important indicator for measuring innovation output, Liang said the "average ownership" metric is designed to steer innovation efforts from pursuing quantity toward quality.

"In the next five years, we will guide innovation entities to prioritize patent quality and cultivate more high-value core patents, contributing to the development of new quality productive forces," Liang explained.

https://english.cnipa.gov.cn/art/2026/1/27/art_2975_203879.html

SUPPLEMENTARY ISSUE

The Patent Term Compensation and Protection Scope in the Compensated Period for Drug Invention Patents

The drugs claimed in drug invention patents must be approved by the National Medical Products Administration ("NMPA") before entering into market. Due to the long review period for drugs, it is very likely that a patent has been granted but the marketing approval has not been completed yet. To safeguard the patentee's rights and interests, the authorities introduced the Patent Term Compensation ("PTC") system for drug patents, enabling the patentees to retain the patents during the compensation period after the expiration of the normal patent term. For this, while paying attention to the timing, conditions, documents and calculation of the compensation period for patent term, patentees also need to be aware of the scope of protection during the compensation period.

How to Request PTC?

The request for PTC for drug patents should be filed to the CNIPA within three months from the date of obtaining marketing approval in China; the three-month deadline is non-extendable and non-restorable. The PTC request shall meet the following conditions: the date of announcement of grant of the patent for which PTC is requested should be earlier than the date of marketing approval of the new drug; the patent is in force at the time of the filing of the request for compensation; the patent has not previously been granted drug patent term compensation; the claims of the patent for which PTC is requested include the relevant technical solutions of the new drug with marketing approval; where multiple patents exist for the same drug, the patentee may only request drug patent term compensation for one of those patents; where a single patent pertains to multiple drugs, a request for drug patent term compensation may only be made for one drug in relation to that patent.

When requesting PTC, besides the request, the following documents are necessary: a copy of the Certificate of Drug Registration and its annexes, a detailed statement on how the claims cover the technical scheme of the new drug and how long the compensation shall be; and the technical scheme that shall be protected during the compensation period. If the patentee is an entity different from the holder of Certificate of Drug Registration, a certificate/statement proving that the holder allows the patentee to request the PTC shall be filed. If more documents or information is required, the CNIPA will ask.

The calculation for compensation period: compensation period is the surplus time after deducting five years from the number of days between the filing date of the patent application (Date of filing) and the date on which the new drug obtains marketing approval in China (Date of marketing approval of new drug). The compensation period shall meet two requirements: 1) the compensation period shall not exceed five years, and 2) the total effective patent term shall not exceed 14 years from the marketing approval of the new drug.

What claims are qualified for requesting PTC?

The claims of a patent for which PTC is requested shall include the relevant technical schemes of the new drug with marketing approval. The relevant technical schemes of the new drug are the structure, composition and content of the new drug approved by the NMPA, as well as the approved manufacturing technique and indications. If the claims specified in the PTC do not include the relevant technical schemes of the new drug with marketing approval, PTC will not be

approved. Therefore, the core condition for obtaining PTC is that the relevant technical schemes of the new drug with marketing approval shall match the claims.

What is the protection scope during the compensation period?

For a normal patent, the scope of protection shall be determined by the terms of the claims during the normal patent term. Also, for a drug patent with PTC, its protection scope during the normal patent term is determined by the terms of the claims.

However, during the compensation period after the expiration of the normal patent term, the protection scope of the patent shall be limited to the new drug approved by the MNPA and shall be limited to the claims with technical schemes related to the approved indications of the new drug, that is, the claims that match the technical scheme related to the new drug that has been approved for marketing.

Within the protection scope of the claims that match the technical scheme related to the new drug that has been approved for marketing, the patentee enjoys the same rights and takes the same obligation as those before the expiration of the normal patent term. The protection scope of product claims is limited to the marketed new drug products used for the approved indications; the protection scope of claims for medical use is limited to the approved indications of the marketed new drug product; the protection scope of claims for preparation method is limited to the manufacturing technique that has been recorded with the MAPA for the marketed new drug product used for the approved indications.

During the compensation period after the expiration of the normal patent term, the claims other than those matching the technical scheme related to the new drug that has been approved for marketing are not protected under patent law. When enforcing a drug patent with PTC, the patentee shall pay attention to the differences between the protection scope in the normal patent term and the protection scope in the compensation period so as to more effectively defend their legal rights.

From "Unauthorized Disclosure by Others" to "Knowledge of the Right Holder": The Objective Fact Standard for Determining the Start of the Novelty Grace Period

In an administrative appeal case, the SPC clarified that a declaration for a novelty grace period is directly related to the determination of prior art or prior design, as well as to the assessment of whether an invention-creation possesses novelty. Such declarations apply not only during preliminary examination but also in post-grant proceedings. The Court held that when a patent applicant or patentee files such a declaration on the grounds that the invention-creation's content was disclosed by others without their consent, the starting point for the declaration period is the time when the applicant or patentee subjectively knew or should have known the objective fact of this unauthorized disclosure. This starting point is not the later time when the patentee learned that the fact had been formally recognized by the CNIPA or a people's court as constituting a public disclosure under the Patent Law.

This article discusses an administrative reconsideration decision. The facts of the case are briefly summarized as the following:

Company A owned the design patent at issue, titled "Vibration Massage Gun." On July 24, 2019, Company B filed a request to invalidate this patent with the CNIPA. The CNIPA accepted the request and subsequently forwarded Company B's supplementary opinions and evidence to Company A on October 16, 2019. The submitted evidence included video footage from an NBA

game depicting a staff member using a vibration massage gun on Cleveland Cavaliers player LeBron James's knee, as well as promotional posts on Weibo. These posts, from "Sina NBA" and a US company's official Weibo account, utilized GIFs from the video to market the product as the "same massage gun as LeBron James," accompanied by related product photographs. On November 18, 2019, Company A responded with a statement contending that the product design shown in the evidence was substantially different from its patented design and therefore did not constitute a public disclosure of the patent. On May 19, 2020, the CNIPA issued its decision, declaring the patent entirely invalid.

On July 10 and 28, 2020, Company A submitted a novelty grace period declaration and a request for rectification to the CNIPA. The CNIPA responded with an office notice indicating it could not accept Company A's request. Dissatisfied, Company A filed an application for administrative reconsideration with the CNIPA. In its reconsideration decision, the CNIPA determined that Company A had already become aware of the existence of the invalidation evidence prior to November 18, 2019. Nevertheless, Company A only asserted on July 28, 2020, that the evidence constituted an unauthorized disclosure by others and filed the corresponding grace period declaration. This filing date fell outside the two-month period prescribed by the Patent Examination Guidelines. Consequently, the CNIPA rejected Company A's request for reconsideration.

Company A disagreed and filed a lawsuit with the first-instance court, requesting the court to revoke the reconsideration decision and order the CNIPA to make a new one.

The first-instance court dismissed Company A's claims. The court ruled that the issue of whether a patent is entitled to a novelty grace period must be examined as part of the invalidation proceedings. It further held that, pursuant to the Patent Examination Guidelines, if an applicant becomes aware of that the content was disclosed by others without the consent of the applicant after the patent's filing date, a grace period declaration along with supporting evidence must be submitted within two months of gaining such awareness. The court clarified that discovering these circumstances during invalidation proceedings constitutes learning of them "after the filing date" and is therefore subject to the two-month deadline. Since Company A failed to file the required declaration within two months of learning about the evidence, its claim was time-barred, and Company A was liable for the consequences of missing the deadline.

Company A appealed the decision. The SPC issued a final judgment dismissing the appeal and upholding the original ruling.

In its effective second-instance judgment, the court identified the core issues on appeal as: 1) how to determine the deadline for a patent applicant or patentee to file a declaration claiming a novelty grace period; and 2) whether Company A’s filing of such a declaration has exceeded the deadline.

According to Article 24(3) of the Patent Law (2008 amendment), an invention-creation for which a patent is applied for does not lose its novelty where, within six months before the date of filing, it was disclosed by any person without the consent of the applicant.

Rule 30(4) of the Implementing Regulations of the Patent Law revised in 2010 stipulates: " Where any invention-creation for which a patent is applied falls under the provisions of Article 24, subparagraph (3) of the Patent Law, the patent administration department under the State Council may, when it deems necessary, require the applicant to submit the relevant certifying documents within the specified time limit."

Paragraph (5) of the same Rule provides: "Where the applicant fails to make a declaration and submit certifying documents as required in paragraph three of this Rule, or fails to submit certifying documents within the specified time limit as required in paragraph four of this Rule, the provisions of Article 24 of the Patent Law shall not apply to the application."

Neither the Patent Law nor its Implementing Regulations explicitly sets a specific deadline for a patent applicant or patentee to file a novelty grace period declaration on the grounds of unauthorized disclosure of the invention-creation's content by others.

Therefore, reference should be made to the provision in Part I, Chapter 1 of the Patent Examination Guidelines, which states:

Where, within six months before the filing date, the content of an invention-creation for which a patent is applied for was disclosed by any person without the consent of the applicant, if the applicant learned of it before the filing date, a declaration shall be made in the request at the time of filing the patent application, and supporting documents shall be submitted within two months from the filing date. If the applicant learned of it after the filing date, a declaration for a novelty grace period shall be made within two months from the date of learning of the situation, accompanied by supporting documents.

Accordingly, when a patent applicant or patentee learns, after the filing date, that the content of the invention-creation was disclosed by others without their consent, they must file a declaration for a novelty grace period within two months from the date of gaining such knowledge. If this period is exceeded, the exception for non-loss of novelty under Article 24 of the Patent Law shall not apply.

The purpose of setting a two-month deadline for filing a novelty grace period declaration is to encourage patent applicants or patentees to act promptly in fulfilling their declaratory duty when claiming this right to the grace period. This aims to protect the right holders legitimate interests over the invention-creation, while simultaneously providing a certainty or predictability for the public. This underlying rationale remains consistent, irrespective of whether the matter arises during the examination of a patent application or after the patent has been granted.

The relevant rule in the Patent Examination Guidelines uses the filing date as the sole criterion for determining the deadline; it is not limited to the "preliminary examination" phase prior to grant. Consequently, if a patentee becomes aware, after the patent is granted, that the invention-creations content was disclosed without consent, this scenario equally qualifies as "learning after the filing date" under the provision. Thus, the aforementioned rules in the Patent Examination Guidelines should apply.

In this case, Company A contended on appeal that the starting point for the declaration period should be the date it received the invalidation decision, arguing that it had reasonable grounds prior to that date to believe the evidence did not constitute a public disclosure under the Patent Law.

The second-instance court dismissed this argument and determined that: the legal standard of "knew or should have known" pertains to a party's subjective awareness of the occurrence of an objective fact, not awareness of the legal consequences arising from that fact. Consequently, the starting point for the declaration period should be when the applicant or patentee subjectively knew or should have known the objective fact of the unauthorized disclosure itself, not when they later learned that this fact had been formally recognized by the authorities, such as the patent administration department under the State Council or the people's court, as a public disclosure under the Patent Law.

On October 16, 2019, the CNIPA formally served the invalidation evidence to Company A. Company A, in turn, submitted its responsive observation to the CNIPA on November 18, 2019. This exchange establishes definitively that, no later than November 18, 2019, Company A was in full aware of the content of the evidence.

Since Company A subsequently claimed that the use shown in the NBA footage constituted an unauthorized disclosure of its patent content and sought for a novelty grace period on that ground, it was obligated to file the declaration by January 18, 2020 (that is, within two months of November 18, 2019). Company A, however, did not submit its declaration until July 2020, which was well beyond this deadline. Therefore, the CNIPA's refusal to accept the declaration was correct and proper.

Through this judgment, the Supreme People's Court has clarified that the two-month deadline for filing a novelty grace period declaration, as set forth in the Patent Examination Guidelines, starts from the moment the patent holder knows or should have known the objective fact of an unauthorized disclosure by others. This deadline is fixed, and it does not change based on whether the patent is under invalidation review or has already been granted, and it does not accommodate any delay for "awaiting an official final determination" of the disclosure's legal status. The court's strict adherence to this timeline is essential for preserving the predictability or certainty of the patent system and balancing it with the public interest.

This ruling serves as a reminder to all right holders: the requirement to file a novelty grace period declaration is governed by a rigid statutory deadline. Failure to act within this prescribed window results in an irrecoverable loss of rights to claim the grace period. No subsequent action or legal remedy can compensate for the failure to take timely, complete, and effective actions within this prescribed period.

(2023) Zui Gao Fa Zhi Xing Zhong No. 490

Allocation of the Burden of Proof in Trade Secret Infringement Disputes Involving AI and Algorithms

In a trade secret infringement ruling, the SPC clarified the burden of proof in such cases: when a rights holder provides preliminary evidence reasonably indicating infringement, and also demonstrates that the alleged infringer had access to the trade secret and that the information used is substantially identical to it, the burden shifts to the alleged infringer to prove that no infringement occurred. If the alleged infringer asserts independent development of the accused technology, the court must conduct a thorough and objective examination of the supporting evidence, applying logical reasoning and everyday experience. This examination should take into account the specific performance characteristics of the accused product and compare them with those of the rights holder’s product embodying the trade secret.

This case concerns a dispute over trade secret infringement in the visual recognition sector, involving artificial intelligence and algorithmic technology. The facts are summarized below:

Company A focused on developing a product called the "English Reading Companion," which offered fingertip recognition and point-to-read translation that enables users to instantly recognize and translate printed text by simply pointing at it with their finger. Company A filed a lawsuit with the court of first instance, seeking an order requiring Company B, along with individuals W, X, Y, and Z, to immediately cease the infringement and to pay joint compensation for economic losses.

According to Company A, it had established the relevant trade secrets - comprising an algorithm based on fingertip recognition code and an associated image database - by April 2019. W, a former shareholder and Chief Technology Officer of Company A, along with former employees X, Y, and Z, all worked on the "fingertip recognition" project and had access to the technical information at issue. W left Company A in March 2019 and founded Company B two months later. X, Y, and Z subsequently left Company A and joined Company B as shareholders or key technical staff.

Beginning in July 2019, a series of products featuring fingertip recognition and point-to-read functionality, powered by Company B's technology, were introduced to the market. Company A claimed that W, X, Y, and Z had, without authorization, disclosed its trade secrets to Company B and permitted their use. Company B then leveraged the secrets to provide technical support to other companies, which in turn launched products with similar fingertip recognition and translation features.

The court of first instance dismissed Company A's claims, ruling that the evidence presented failed to establish that the technical information used in the accused products, which incorporated Company B's technology, was substantially identical to the technical information claimed by Company A as its trade secret. The court further observed that the technical information used in the accused products differed materially from the trade secret information claimed by Company A. As a result, the evidence on record could not reasonably indicate that Company A's claimed technical information had been infringed.

Dissatisfied with the judgment, Company A appealed to the SPC.

On appeal, the SPC overturned the first instance judgment and ruled that the five alleged infringers must cease disclosing, using, or authorizing others to use the trade secrets, destroy all carriers containing such secrets, and bear joint and several liability for compensation. The appellate court found that Company A's evidence reasonably established infringement by the five parties.

First, on its corporate homepage dated October 14, 2019, Company B expressly featured the "English Reading Companion" developed by Company A as a flagship product of its "Desktop Interactive Technology Platform," highlighting that the product integrated AI-based fingertip-positioning technology capable of real-time finger recognition and accurate word translation.

Second, in an earlier action brought by Company A against Company B on substantially identical facts (later withdrawn), a defense initially filed by W showed that, in his own contemporaneous understanding, Company B's product used the same "finger recognition and tracking" technology as Company A's, with both products exhibiting the ability to quickly recognize English words based on finger position.

Third, side-by-side comparison demonstrations revealed nearly identical recognition, output, and pronunciation performance between the accused product and Company A's product, regardless of whether finger interaction was used in the test.

Fourth, the interval between the founding date of Company B' (May 21, 2019) and the date its partner's product first demonstrated finger-positioning and recognition capability "from scratch" (July 4, 2019) was less than two months.

Finally, W, X, Y, and Z had all served on the fingertip-recognition project team during their tenure at Company A, thereby having access to the technical information that constituted the trade secret.

The evidence submitted by the five accused infringers was insufficient to prove that they did not infringe upon Company A's trade secrets.

First, Company B contended that the accused technology was derived primarily from open-source code obtained through various channels. However, integrating code from disparate sources into a functional initial model, then refining it through extensive training to achieve commercial readiness, constitutes a critical and highly complex phase of development. Transforming open-source "fingernail-recognition" code into a market-ready product inevitably requires substantial adaptation, integration, and polishing. For instance, Company A's "fingertip recognition technology", asserted here as a trade secret, underwent over seventeen months of development from concept to product launch. By contrast, Company B supplied its partner with operational "finger positioning and recognition" technology less than two months after its founding. Developing an AI-based visual recognition and positioning product from scratch in such a short period runs counter to ordinary experience.

Second, both Company A's protected "fingertip recognition technology" and Company B's accused technology necessarily involve steps such as finger detection, positioning, recognition of pointed-to text, comprehension of content, and generating appropriate responses, which are all driven by AI. Equipping an AI product with human-like visual perception, recognition, comprehension, and response abilities demands intensive, high-frequency prior training, including training for finger recognition. Without "feeding" data, an AI model cannot operate effectively; the richer, larger, and higher-quality the training data, the stronger the model's self-learning, generalization, and performance become. In the absence of sufficient training data to enable reinforcement learning, it defies logic that Company B could, relying solely on open-source code, help its partner (Company C) launch, within a few months (May–July 2019), a new "finger recognition and point-to-read" product that differed functionally from Company C's earlier offerings, while simultaneously claiming the technology was "completely different" from Company A's "fingertip recognition and positioning" and instead calling it "fingernail" technology.

Third, an AI model's knowledge and capabilities fundamentally come from its training data. The training process teaches the model to map inputs to specific labels, and the model's abilities remain strictly bounded by the tasks defined in the training data. An AI model cannot spontaneously recognize categories it has never been trained on. Ultimately, output quality depends on the type, scale, and quality of the training data. Comparative demonstration videos - in which both Company A's product and the accused product were tested by the same person using the same materials - showed that the accused product, powered by Company B's technology, could still accurately recognize, locate, pronounce, and output words even when the fingernail was concealed. This observation directly undermines Company B's assertion that its technology relies on "fingernail recognition."

Finally, the "English Reading Companion" is a cylindrical device with a camera, meaning users may freely reposition it during operation. Its backend therefore requires angle-adjustment functionality to capture usable samples. The accused product, however, is a tablet-style device whose typical use does not require such adjustment, and Company B stated its technology lacks angle-adjustment capability. Yet tests revealed that the accused product could still recognize words even when tilted (i.e., under non-standard angled conditions).

Based on the foregoing analysis, the court concluded that Company A's claim of trade-secret infringement by Company B and the four individual defendants was well founded.

Through this ruling, the SPC has clarified the allocation of burden of proof in trade secret disputes involving AI technologies: The rights holder needs only to establish a preliminary evidentiary

chain, supported by R&D records, data scale, and functional comparisons, to trigger the burden-shifting mechanism under Article 32 of the Anti-Unfair Competition Law. If the alleged infringer raises an “independent R&D” defense, it must produce code, data, and development-history records that are both contemporaneous with and traceable to the challenged activities. A mere assertion of reliance on open-source code will generally not suffice.

This judgement decision underscores that in the rapidly evolving, data-intensive domain of AI, a well-maintained, real-time, and fully traceable self-documentation system is the most dependable means for a company to protect its rights. Such a system also forms the critical factual basis on which courts assess whether the accused technology is substantially identical to the claimed trade secret.

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