

## **Legislative Council Panel on Trade and Industry**

### **Intellectual Property (Miscellaneous Amendments) (No. 2) Bill 2000**

#### **Introduction**

This paper seeks Members' views on the proposed amendments to the Patents Ordinance (Cap 514) and the Registered Designs Ordinance (Cap 522) to be introduced under the Intellectual Property (Miscellaneous Amendments) (No. 2) Bill 2000.

#### **Background**

2. The Patents Ordinance and the Registered Designs Ordinance were enacted on 27 June 1997. They establish the intellectual property rights and registration system for patents and designs respectively. The Director of Intellectual Property (DIP) is both the Registrar of Patents and the Registrar of Designs. In the light of more than three years' experience in examining and registering patents and designs, we propose some technical amendments to the two Ordinances to improve them.

#### **Proposals**

3. The proposed amendments will achieve the following objectives –
- (a) to provide a legal basis for using electronic means of publishing notifications and advertisements for patents and designs;
  - (b) to enhance and clarify provisions related to right of priority in patent and design applications;

- (c) to simplify patent application procedures;
- (d) to enhance the procedure for amending the schedule of Paris Convention countries and World Trade Organisation (WTO) members under the Patents Ordinance; and
- (e) to ensure full compatibility of the Patents Ordinance with the requirement of an international agreement.

Legal basis for electronic publication of patents and designs

4. Many intellectual property authorities in the world, such as those in Japan, South Korea and the United States, offer the option of delivering services through electronic means. Hong Kong must keep pace with such global development which is consistent with growing public expectation. At present, both the Patents Ordinance and Registered Designs Ordinance stipulate the Government Gazette as the only publication in which notifications and advertisements for patents and designs can be made. We plan to allow for the electronic publication of patents and designs which should reduce costs and be more efficient. Our plan will be implemented in phases over the next three years in line with the outsourcing project of the Intellectual Property Department approved by the Finance Committee on 10 March 2000.

5. We propose to amend the Patents Ordinance and the Registered Designs Ordinance to empower DIP to specify publications other than the Government Gazette in which notifications and advertisements for patents and designs can be made. Such publications may include a publication in electronic form. The new Trade Marks Ordinance enacted in May 2000 has similar provisions for the registration of trademarks.

### Enhance and clarify priority right related to patents and designs

6. We propose to enhance section 110 of the Patents Ordinance by providing that a right of priority arising as a result of the filing of a patent application, may be assigned or transmitted either with the application or independently. This will allow, for example, the owner of an invention who has filed a patent application in a Paris Convention country but who does not wish to seek patent protection in Hong Kong, to assign his right of priority to another party for applying for a short-term patent in Hong Kong based on the same invention. The proposal will give greater flexibility to the owner to make economic use of his intellectual property right.

7. For design applications, we propose to amend section 15(1) of the Registered Designs Ordinance by clarifying the right of a person's successor in title. The proposed amendment makes it clear that the successor in title of a person who has filed an application to register a design in a Paris Convention or WTO member country, can enjoy right of priority in respect of filing an application for registering the same design in Hong Kong within a prescribed period.

### Simplify patent application procedures

8. We propose to amend section 15(2)(e) and section 15(2)(f), and to repeal section 16(c) of the Patents Ordinance to remove the requirement that applicants must make a statement confirming that no claim to priority or non-prejudicial disclosure is made in the application. A statement will be required in the application only in cases where the applicant claims priority or non-prejudicial disclosure. This will simplify patent application procedures.

Enhance the procedure for amending the schedule of Paris Convention or WTO members

9. Section 153 of the Patents Ordinance empowers the Chief Executive in Council to add to or delete from Schedule 1 of the Patents Ordinance the name of any country, territory or area which has acceded to or denounced the Paris Convention or WTO Agreement. This provision, however, does not cover the situation where a country which is already a Paris Convention country or a WTO member changes its name but has not denounced the Paris Convention or the WTO Agreement.

10. We propose to amend section 153 of the Patents Ordinance to enable the Chief Executive in Council to amend Schedule 1 of the Patents Ordinance to cater for such changes. The proposed amendment will bring the wording of section 153 into line with corresponding provisions in the Trade Marks Ordinance and the Registered Designs Ordinance.

Ensure full compatibility of the Patents Ordinance with the requirement of an international agreement

11. We have an obligation to comply with the provisions of the WTO Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS Agreement) to protect intellectual property rights including patents rights. To ensure full compatibility with the TRIPS Agreement, we propose to amend section 64(7)(b) of the Patents Ordinance to align its wording with that of Article 31(1)(iii) of the TRIPS Agreement. Article 31(1)(iii) reads as follows : “the use authorized in respect of the first patent shall be non-assignable except with the assignment of the second patent”.

## **Consultation**

12. We issued on 17 October 2000 a paper to consult 11 professional organisations and patents agents on the proposed amendments. Public can access the consultation paper from the website of the Intellectual Property Department. The consultation period will expire on 16 November 2000.

## **Legislative Timetable**

13. The proposals above will be included in the Intellectual Property (Miscellaneous Amendments) (No. 2) Bill 2000. Subject to Members' views, we intend to introduce the Bill into the Legislative Council on 20 December 2000.

## **Advice Sought**

14. Members are invited to comment on the proposals in paragraphs 3 to 11 above.

Commerce and Industry Bureau  
November 2000