

LC Paper No. CB(1) 504/02-03

Ref: CB/SS/2/02

Paper for the House Committee meeting on 13 December 2002

Further Report of the Subcommittee on Patents (General) (Amendment) (No.2) Rules 2002

Purpose

This paper reports on the further deliberations of the Subcommittee on the Patents (General) (Amendment) (No.2) Rules 2002 (the Amendment Rules).

Background

2. The Subcommittee submitted its report on the Amendment Rules to the House Committee on 6 December 2002. Consequent upon the conclusion of a relevant appeal case on 5 December 2002 where the Court of Final Appeal (CFA) ruled that section 39(1) of the Patents (General) Rules (the Rules) was ultra vires, the Subcommittee held a meeting on 9 December 2002 to further discuss with the Administration on the way forward for the Amendment Rules taking into account the court ruling.

Deliberations of the Subcommittee

Amendment Rules

3. Members note that according to the CFA's judgment, the rule-making power under section 46 of the Patents Ordinance (Cap. 514) (the Ordinance) relating to court orders allowing amendment of patent specification should rest with the court rather than the Registrar of Patents (the Registrar). Any rules made by the Registrar for the purposes of section 46 of the Ordinance should not have the purpose or effect of regulating how court orders made under the section are carried into effect; otherwise, the Registrar will be acting ultra vires. As such, section 39(1) of the Rules, which requires the patent proprietor to file with the Registrar a notice of court order allowing amendment of patent specification within one month of the making of such a court order, has been considered having such purpose or effect and thus rendered it ultra vires.

4. Given that CFA has already declared section 39(1) of the Rules ultra vires and directed the Registrar to record the appellant's amendment of patent specification, members consider that there is no urgency to amend the Rules to remove the one-month time limit for filing the notice of court order for amendment of patent specification. In the light of the CFA's judgment and members' views, the Administration proposes to move a motion to repeal the Amendment Rules and to take the opportunity to consider in greater detail the appropriate amendments. While welcoming the Administration's decision, members reiterate the need for the Administration to mention in the Legislative Council brief any pending court case which is relevant to the legislative amendment in question.

5. Members are concerned that those who have failed to file their notices of amendment of patent specification within the time limit under section 39(1) of the Rules may claim legal remedies against the Registrar consequent upon the CFA's ruling. The Administration however does not envisage that the Registrar will have substantial liability in this regard.

Comprehensive review of existing provisions

6. The Subcommittee considers that the Administration should take into account the CFA's ruling in conducting the comprehensive review of the existing regime on registration of patent, particularly on provisions with time limits. It should also consult the relevant Panels, such as Panel on Commerce and Industry and Panel on Administration of Justice and Legal Services, as well as the trade regarding the review. At members' request, the Administration has undertaken to include in the speech to be delivered by the Secretary for Commerce, Industry and Technology at the motion to repeal the Amendment Rules the scope of the review.

Conclusion

7. The Subcommittee supports the Administration's proposal to repeal the Amendment Rules.

Advice sought

8. Members are invited to note the deliberations of the Subcommittee.

Council Business Division 1 Legislative Council Secretariat 12 December 2002