

**立法會**  
**Legislative Council**

LC Paper No. CB(1)822/15-16  
(These minutes have been seen  
by the Administration)

Ref : CB1/BC/2/15

**Bills Committee on Patents (Amendment) Bill 2015**

**Minutes of the second meeting  
on Tuesday, 22 December 2015, at 9:30 am  
in Conference Room 1 of the Legislative Council Complex**

**Members present** : Hon Martin LIAO Cheung-kong, SBS, JP (Chairman)  
Hon WONG Kwok-hing, BBS, MH  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Andrew LEUNG Kwan-yuen, GBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Alan LEONG Kah-kit, SC  
Hon WONG Yuk-man  
Hon Charles Peter MOK, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon CHUNG Kwok-pan

**Members absent** : Hon Paul TSE Wai-chun, JP  
Hon Dennis KWOK  
Hon SIN Chung-kai, SBS, JP

**Public officers  
attending** : Agenda Item I

Commerce and Economic Development Bureau

Mr Godfrey LEUNG, JP  
Under Secretary for Commerce and Economic  
Development

Mr David WONG, JP  
Deputy Secretary for Commerce and Economic  
Development (Commerce and Industry)<sup>2</sup>

Intellectual Property Department

Miss S K LEE  
Deputy Director of Intellectual Property

Mr Thomas TSANG  
Assistant Director of Intellectual Property (Patents)

Department of Justice

Ms Mabel CHEUNG  
Acting Senior Assistant Law Draftsman (Professional  
Development)

Mr Gary LI  
Government Counsel

**Attendance by  
invitation**

**: Agenda Item I**

Hong Kong Institute of Patent Attorneys Limited

Dr LAW Kam-wah  
Vice President

Hong Kong Chinese Patent Attorneys Association

Mr LAM Sum  
Chairman

Internet Professional Association

Dr Witman HUNG  
President

Universal Display Corporation Hong Kong, Limited

Mr Raymond KWONG Chi-yuen  
Director

The Hong Kong Institute of Patent Practitioners  
Limited

Dr Jacqueline LUI  
President

**Clerk in attendance** : Mr Desmond LAM  
Chief Council Secretary (1)3

**Staff in attendance** : Ms Wendy KAN  
Assistant Legal Adviser 6

Ms Connie HO  
Senior Council Secretary (1)3

Ms May LEUNG  
Legislative Assistant (1)3

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Action

**I. Meeting with deputations and the Administration**

(LC Paper No. CB(1)328/15-16(01) -- List of follow-up actions arising from the discussion at the meeting on 1 December 2015

LC Paper No. CB(1)334/15-16(01) -- Administration's response to issues raised at the meeting on 1 December 2015

LC Paper No. CB(3)101/15-16 -- The Bill

LC Paper No. CB(1)219/15-16(01) -- Mark-up copy of the Bill prepared by the Legal Service Division (Restricted to members only)

File Ref: CITB 06/18/23 -- Legislative Council Brief issued by Commerce and Economic Development Bureau

LC Paper No. LS9/15-16 -- Legal Service Division Report

LC Paper No. CB(1)219/15-16(02) -- Paper on Patents (Amendment) Bill 2015 prepared by the Legislative Council Secretariat (background brief)

Invitation of views from deputations

The Bills Committee received views from five deputations, namely, the Hong Kong Institute of Patent Attorneys Limited, the Hong Kong Chinese Patent Attorneys Association, the Internet Professional Association, the Universal Display Corporation Hong Kong, Limited and the Hong Kong Institute of Patent Practitioners Limited that had attended the meeting. The Chairman reminded the representatives of the deputations that when addressing the Bills Committee, they would not be covered by the protection and immunity of the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) and their written submissions were also not covered by the said Ordinance. Members noted the written submissions provided by the following six deputations which did not attend the meeting –

- (a) The Chinese Manufacturer's Association of Hong Kong (LC Paper No. CB(1)324/15-16(04) (Chinese version only));
- (b) Licensing Executives Society China – Hong Kong Sub-chapter (LC Paper No. CB(1)324/15-16(05) (English version only));
- (c) Hong Kong General Chamber of Commerce (LC Paper No. CB(1)328/15-16(02) (English version only));
- (d) Hong Kong Bar Association (LC Paper No. CB(1)334/15-16(03) (English version only));
- (e) Asian Patent Attorneys Association Hong Kong Group (LC Paper No. CB(1)347/15-16(01)(English version only)); and
- (f) The Law Society of Hong Kong (LC Paper No. CB(1)347/15-16(02)(English version only)).

*(Post-meeting note: With the concurrence of the Chairman, a submission from a member of the public dated 30 December 2015 (English version only) (LC Paper No. CB(1)376/15-16(01) was circulated to members for reference and issued to the Administration for response on 31 December 2015.)*

Action

2. The Bills Committee deliberated (Index of proceedings attached at **Annex**).

Follow-up actions to be taken by the Administration

3. The Administration was requested to –
  - (a) provide written responses to the deputations' written submissions received and views expressed at the meeting;
  - (b) in relation to a member's concern on the comments made in the Law Society of Hong Kong's submission regarding the groundless threats of infringement proceedings (LC Paper No. CB(1)347/15-16(02)), to provide a written response to such comments and a comparison of the positions on groundless threats between Hong Kong and other jurisdictions, including the United Kingdom, and advise the Bills Committee of the relevant overseas experiences; and
  - (c) in relation to a member's concern on the statistics on patent applications in selected economies provided by the Administration (LC Paper No. CB(1)334/15-16(01)) responding to the list of follow-up actions arising from discussion at the meeting on 1 December 2015, to further advise the Bills Committee of:
    - (i) the patent filing statistics of Singapore before and after the setting up of the "original grant" patent ("OGP") system in 1995 (Annex A); and
    - (ii) the causes for the decrease in the total count of patent applications filed in Brunei Darussalam in 2012 (31 applications) and 2013 (35 applications) comparing to the same in previous years upon the setting up of its OGP system in 2012, and for the drastic increase in the total count of applications filed in 2014 (117 applications) (Annex B).

*(Post-meeting note: The written responses provided by the Administration were issued to members vide LC Paper Nos. CB(1)404/15-16(02) and CB(1)710/15-16(01) on 7 January and 22 March 2016 respectively.)*

Action**II. Any other business**Date of next meeting

4. The Chairman reminded members that the next meeting would be held on Tuesday, 12 January 2016 at 10:45 am.
5. There being no other business, the meeting ended at 10:48 am.

Council Business Division 1  
Legislative Council Secretariat  
21 April 2016

**Proceedings of the second meeting of  
the Bills Committee on Patents (Amendment) Bill 2015  
on Tuesday, 22 December 2015, at 9:30 am  
in Conference Room 1 of the Legislative Council Complex**

<b>Time marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action required</b>
<b>Agenda Item I – Meeting with deputations and the Administration</b>			
000000 – 000543	Chairman	Opening remarks	
000544 – 000948	Dr LAW Kam-wah, Hong Kong Institute of Patent Attorneys Limited ("HKIPA")	Presentation of views as set out in submission (LC Paper No. CB(1)324/15-16(01) (English version only))	
000949 – 001518	Mr LAM Sum, Hong Kong Chinese Patent Attorneys Association ("HKCPAA")	Presentation of views as set out in submission (LC Paper No. CB(1)324/15-16(02))	
001519 – 001829	Dr Witman HUNG, Internet Professional Association	Presentation of views as set out in submission (LC Paper No. CB(1)334/15-16(02) (Chinese version only))	
001830 – 002015	Mr Raymond KWONG Chi-yuen, Universal Display Corporation Hong Kong, Limited ("UDCHK")	Presentation of views	
002016 – 002544	Dr Jacqueline LUI, The Hong Kong Institute of Patent Practitioners Limited ("HIPP")	Presentation of views as set out in submission (LC Paper No. CB(1)324/15-16(03) (English version only))	
002545 – 002918	Chairman Administration	The Administration briefed members on the background of the Patents (Amendment) Bill 2015 ("the Bill"). The legislative proposals contained in the Bill reflected views received during the public consultation exercise conducted in 2011 and recommendations made by the Advisory Committee on Review of the Patent System in Hong Kong ("the	

Time marker	Speaker	Subject(s)	Action required
		<p>Advisory Committee").</p> <p>On individual issues, the Administration's responses to the views expressed by deputations were as follows –</p> <p>(a) most respondents to the public consultation exercise supported the regulation of patent practitioners. The Advisory Committee had recommended to regulate the use of certain titles as an interim measure. In this connection, an interim regulatory measure was introduced in the Bill to make it an offence to use certain titles, namely, "registered patent agent", "registered patent attorney", "certified patent agent" and "certified patent attorney", as well as any other title or description that would be likely to give the impression that a person's qualification for providing patent agency services in Hong Kong was endorsed by the Government or recognized by law. On the other hand, the Bill would introduce appropriate exemptions to cater for the legitimate and reasonable use in Hong Kong of certain professional titles, such as "solicitor", "barrister", "foreign lawyer" and also patent professional titles that had been lawfully acquired outside Hong Kong;</p> <p>(b) as regards the suggestion of lowering the patentability criteria of short-term patents, the Advisory Committee deliberated and recommended that the existing patentability criteria of short-term patents should be maintained since the filing of a short-term patent with a lower patentability might no longer be good enough to support a subsequent standard patent application and the benefits of familiarity and availability of case law would be lost if the criteria were lowered; and</p> <p>(c) turning to whether an "original grant" patent ("OGP") system should be set up in Hong Kong, the Advisory Committee was of the view that the OGP system was conducive to developing Hong Kong into a knowledge-based economy. The OGP system also helped promote innovation and technology development as well as research and development activities, thereby fostering the</p>	



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		<p>long term economic development of Hong Kong. The Intellectual Property Department ("IPD") had entered into a cooperative arrangement with the State Intellectual Property Office ("SIPO") on the Mainland under which SIPO agreed to provide technical assistance and support to IPD in conducting substantive examination of patent applications and also in manpower training under the new patent system. IPD planned to develop in incremental stages in-house capacity in conducting indigenous substantive examination in the medium to long term, starting with the niche areas where Hong Kong had acquired considerable expertise or where Hong Kong would be well placed to enhance its research and development capabilities.</p>	
002919 – 003051	Chairman Ir Dr LO Wai-kwok Administration	<p>At Ir Dr LO Wai-kwok's request, the Administration's undertaking to provide a response to the submission of the Law Society of Hong Kong ("LSHK") (LC Paper No. CB(1)347/15-16(02)).</p>	<p>The Administration to follow up as stated in paragraph 3(a) of the minutes.</p>
003052 – 004125	Chairman Mr Charles MOK Mr LAM Sum (HKCPAA) Administration	<p><u>Discussion on the interim regulatory measures on patent practitioners</u></p> <p>Referring to Mr LAM Sum's (HKCPAA) view that legal practitioners might not possess the requisite technical expertise to provide services on substantive issues concerning patent-related matters, such as the patentability issues, Mr Charles MOK's request that the Administration should elaborate on the measures to enhance the participation of technical professionals in the new patent system in future.</p> <p>The Administration's response that –</p> <p>(a) a prime objective to regulate local patent practitioners was to nurture a strong patent profession as a complementary component of the new patent system. This would require the development of a full-fledged regulatory regime covering aspects such as the establishment of a professional regulatory body, accreditation, use of titles, professional discipline, training, service monopoly, and statutory backing. The Advisory Committee had been deliberating</p>	

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		<p>on these long-term issues and engaging stakeholders;</p> <p>(b) the Advisory Committee had recommended that regulation on the use of certain titles should be put in place as an interim measure to prevent misuse of attractive titles which might not only confuse service users before an accreditation system was set up under the future full-fledged regulatory regime, but also pre-empt the outcome of such a future regime in the long run;</p> <p>(c) accordingly, new provisions were included in the Bill to reserve certain specific titles which might likely be conferred on qualified patent practitioners exclusively under the future full-fledged regulatory regime, and an interim regulatory measure was introduced; and</p> <p>(d) the proposed interim regulatory measures would not impose restrictions on the types of professionals in providing patent-related services.</p>	
004126 – 004906	Chairman Mr Charles MOK Administration	<p>Referring to the submission of LSHK expressing views on the refined short-term patent system, Mr Charles MOK's concern that the provisions relating to groundless threats might be over stringent for short-term patent owners and would give rise to certain unintended consequences relating to the operation of the refined short-term patent system as stated in LSHK's submission, and that a balance had to be struck. Mr MOK's enquiry on how the Administration would address the relevant matters.</p> <p>The Administration's response that to deter abuse of short-term patents which were granted without substantive examination at present, the Administration had accepted the Advisory Committee's recommendation to refine the short-term patent system whereby –</p> <p>(a) substantive examination of a short-term patent after grant should be made a pre-requisite to the commencement of enforcement actions. Taking into account the stakeholders' further views, the Bill provided that, if a certificate of substantive examination of a short-term patent was yet to be</p>	

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		<p>issued by the Registrar of Patents, or a certificate certifying the patent's validity by the court was not available, the patent owner could only commence enforcement proceedings if a request for substantive examination of the patent had been made;</p> <p>(b) if an owner of an unexamined short-term patent had made a threat of commencing infringement proceedings, the owner was required to, upon request, furnish a party aggrieved by the threat with certain prescribed documents in relation to the short-term patent ("patent documents") so as to enable such party to better assess whether the infringement claim was groundless or not. In this connection, the new section 89A(2) of the Bill provided that where a threat alleged an infringement of an unexamined short-term patent, the plaintiff in the proceedings for relief in respect of groundless threats of infringement proceedings was not entitled to the relief claimed if the defendant proved that, amongst others, the defendant had, on request by the plaintiff before the commencement of the relief proceedings, provided to the plaintiff within 7 days after receiving the request: (i) copies of all the patent documents without charge; or (ii) a channel through which the plaintiff might obtain those copies without charge; and</p> <p>(c) the above refinements to the short-term patent system would help strike a reasonable balance between the legitimate interest of a patentee and the public.</p> <p>At Mr Charles MOK's request, the Administration's undertaking to provide a written response to LSHK's submission and a comparison of the positions on groundless threats between Hong Kong and other jurisdictions, including the United Kingdom ("UK"), and advise the Bills Committee of the relevant overseas experiences.</p>	<p>The Administration to follow up as stated in paragraph 3(b) of the minutes.</p>
004907 – 005004	Chairman Mr WONG Yuk-man	Chairman's reply to a procedural enquiry raised by Mr WONG Yuk-man.	

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005005 – 005421	Chairman Mr CHUNG Kwok-pan Administration	<p>Mr CHUNG Kwok-pan's query on whether the legislative proposals under the Bill had undergone thorough public consultation. Mr CHUNG's advice that the Administration should step up publicity to enhance public awareness on the new patent system.</p> <p>The Administration's response that –</p> <ul style="list-style-type: none"> <li>(a) a Consultation Paper entitled "Review of the Patent System in Hong Kong" was issued in October 2011. The Administration engaged stakeholders through different channels in the public consultation exercise during which over 70 submissions were received;</li> <li>(b) the Advisory Committee was set up in tandem with the public consultation exercise. It had taken into account views of stakeholders and professional bodies received during the exercise when drawing up the recommendations for the new patent system in Hong Kong; and</li> <li>(c) IPD had earmarked \$23 million in the 2015-2016 Budget to roll out a series of new support measures for intellectual property trading in the coming three years. Promotion and public education campaigns were part of the measures.</li> </ul>	
005422 – 010806	Chairman Mr LAM Sum (HKCPAA) Dr LAW Kam-wah (HKIPA) Dr Jacqueline LUI (HIPP) Mr Raymond KWONG Chi-yuen (UDCHK)	<p>Mr LAM Sum's (HKCPAA) reiteration that –</p> <ul style="list-style-type: none"> <li>(a) while supporting the Bill in general, HKCPAA was of the view that the proposed interim regulatory measures on patent practitioners might be too harsh whereby restrictions on the use of certain titles and descriptions were imposed pursuant to the new section 144A. HKCPAA worried that existing patent practitioners qualified outside Hong Kong, such as in Mainland China, the UK and Europe, might easily be caught by the regulatory provision during the course of their business; and</li> <li>(b) HKCPAA considered the exemption of lawyers from the restrictions under the new section 144A inappropriate. Given that lawyers were mainly handling procedural matters under the current re-registration system whereas substantive matters under the OGP system, such as the</li> </ul>	

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		<p>patentability issues, would require the expertise of patent practitioners who possessed sound technical/science background, the exemption of legal professional titles, namely, "solicitor", "barrister" or "foreign lawyer" in providing patent-related services as proposed by the Bill might mislead the public that lawyers could also provide technical service involved in patent issues.</p> <p>The Administration's response that the proposed new section 144A sought only to regulate the use of certain potentially misleading titles in connection with the provision of patent agency services. The proposed interim measure did not seek to prohibit provision of patent agency services by legal practitioners as such.</p> <p>The Chairman's remark that given the small market in Hong Kong, not many enterprises would apply for patents under the new OGP route which provided patent protection in Hong Kong only. Instead, users might choose to first secure patents protection in major overseas markets, such as the Mainland, and to have their patents registered in Hong Kong via the re-registration system afterwards. In this connection, he invited deputations' views on whether the retention of the re-registration system would undermine the patronage of the OGP system –</p> <p>(a) Dr LAW Kam-wah's (HKIPA) view that local SMEs with limited financial resources targeting at Hong Kong market might tend to use the OGP system since it provided a more direct and economical way to secure patent protection in Hong Kong;</p> <p>(b) Mr LAM Sum's (HKCPAA) view that the OGP system could facilitate Hong Kong to enter into bilateral Patent Prosecution Highway ("PPH") arrangements with other patent offices which facilitated applicants to apply for patents in other jurisdictions. Given the high cost of seeking patent protection in overseas jurisdictions, such as the UK, there might be substantial potential demand for the OGP system by local SMEs; and</p> <p>(c) Dr Jacqueline LUI's (HIPP) remarks that the OGP system could help arouse public awareness</p>	

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		<p>of patent protection in Hong Kong and enhance Hong Kong's international position in respect of patent registration. The OGP system could also underpin the development of Hong Kong into a knowledge-based economy. With the establishment of the OGP system, Hong Kong would be in a better position to negotiate for mutual streamlining of patent examination process with other jurisdictions through international co-operation, such as PPH and the Patent Cooperation Treaty.</p> <p>Mr Raymond KWONG Chi-yuen's (UDCHK) enquiry about the estimated time and costs for the Hong Kong Patent Registry to process an OGP application in the future.</p> <p>At the Chairman's request, the Administration's undertaking to provide written responses to the deputations' written submissions received and views expressed at the meeting.</p>	<p>The Administration to follow up as stated in paragraph 3(a) of the minutes.</p>
010807 – 011744	Chairman Mr WONG Yuk-man Administration	<p>Briefing by the Administration on its response to the list of follow-up actions arising from discussion at the meeting on 1 December 2015 (LC Paper No. CB(1)334/15-16(01)).</p> <p>Mr WONG Yuk-man's reservation about the demand for an OGP system and his enquiry on the justifications for making substantial investment to set up an OGP system in Hong Kong.</p> <p>The Administration's response on the policy background for the review of the patent system in Hong Kong and the proposal for the establishment of an OGP system –</p> <p>(a) the Advisory Committee was set up in 2011 to review the patent system in Hong Kong. A public consultation exercise was held in the same year. The report of the Advisory Committee was released in 2013. There was a dedicated chapter in the report elaborating on the international patent landscape and drawing reference to development of the patent system in other jurisdictions, including the Mainland,</p>	

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		<p>Taiwan, Singapore and Korea;</p> <p>(b) having regard to the long-term economic development needs of Hong Kong, the Advisory Committee considered that Hong Kong should adjust its patent system as part of the infrastructure which would help Hong Kong strive to become a world class innovation and technology hub, and to keep up with the patent systems of other developed or developing countries. In this connection, the Advisory Committee recommended the introduction of an OGP system with substantive examination outsourced to other patent offices whilst retaining the current re-registration system; and</p> <p>(c) the recommendations of the Advisory Committee, including the setting up of an OGP system, were presented to the Panel on Commerce and Industry at its meeting in February 2013. Members supported the establishment of an OGP system and considered that the development of Hong Kong's patent system should be on par with its neighbouring countries and places, such as Singapore and Taiwan which had already established an OGP system, should Hong Kong wish to develop into a knowledge-based economy.</p> <p>Mr WONG Yuk-man's view that the Administration had not provided sufficient data in its response to support that the OGP system would be conducive to the development of innovation and technology as well as research and development activities. He asked the Administration to provide the following supplementary information –</p> <p>(a) the patent filing statistics of Singapore before and after the setting up of the OGP system in 1995; and</p> <p>(b) the causes for the decrease in the total count of patent applications filed in Brunei Darussalam in 2012 (31 applications) and 2013 (35 applications) comparing to the same in previous years upon the setting up of its OGP system in 2012, and for the drastic increase in the total count of applications filed in 2014 (117</p>	<p>The Administration to follow up as stated in paragraph 3(c) of the minutes.</p>

<b>Time marker</b>	<b>Speaker</b>	<b>Subject(s)</b>	<b>Action required</b>
		applications).	
011745 – 011808	Chairman	Meeting arrangements  Closing remarks	

Council Business Division 1  
Legislative Council Secretariat  
21 April 2016