



Briefing on Patents (Amendment) Bill 2015

Bills Committee Meeting on 1 December 2015

Commerce and Economic Development Bureau
Intellectual Property Department



Background-What is a patent?

- Patents protect inventions and prevent others from doing acts like manufacturing, using, selling or importing the patented inventions.
- Patentable inventions:
 1. novel;
 2. involving an inventive step;
 3. susceptible of industrial application; and
 4. not within the excluded categories

Background

Evolution of the local patent system (1)

- Registration of Patents Ordinance (Cap. 42) (repealed)
 - Re-registration system applicable before 27 June 1997
 - Registration of a patent in Hong Kong was based on:
 - a patent granted in the United Kingdom (UK); or
 - a European patent (designating the UK)

Background

Evolution of the local patent system (2)

- Patents Ordinance (Cap. 514)
 - Effective from 27 June 1997
 - based on the Report submitted by the Patents Steering Committee (1986-1993)

 - 2 types of patents:
 1. Standard patents (maximum term of protection: 20 years)
 2. Short-term patents (maximum term of protection: 8 years)

Background

Current Patent System - Standard Patents (1)

- “Re-registration” system on the basis of patents granted by one of the designated patent offices:
 1. State Intellectual Property Office in the Mainland (SIPO);
 2. United Kingdom Patent Office; and
 3. European Patent Office (designating the UK)
- An applicant for a standard patent has to first make a corresponding patent application in one of the designated patent offices.



Background

Current Patent System - Standard Patents (2)

- An application for a standard patent is made in two stages:
 - **1st stage: Request to record**

filed in Hong Kong within 6 months after the date of publication of the corresponding patent application in the designated patent office
 - **2nd stage: Request for registration and grant**

filed in Hong Kong within 6 months after the date of grant of the patent by the designated patent office or publication of the request to record in Hong Kong, whichever is the later
- Hong Kong Patents Registry conducts “formality examination” of applications only
(without “substantive examination”)



Background

Current Patent System - Short-term Patents

- Applications can be made directly in Hong Kong
- Search report needs to be filed to support the application
- Hong Kong Patents Registry only conducts “formality examination” of applications
(without “substantive examination”)
- A faster and less expensive means of seeking protection suitable for inventions with shorter commercial life span



Background

Current Patent System - Regulation of Patent Practitioners

- The Registrar has limited regulatory powers over certain acts of patent agents in connection with a patent or a patent application
 - e.g. the Registrar may refuse to recognize any of the following person as an agent:
 - a person who neither resides nor has a place of business in Hong Kong
 - a person who has been convicted of a criminal offence
- No statutory regulation of professional requirements/qualification on provision of patent agency services (including the use of “patent agent”, “patent attorney” or other similar titles)



Review of the Patent System (1)

- October 2011:
 1. Public consultation on the review
 2. Appointment of the Advisory Committee on Review of the Patent System in Hong Kong (Advisory Committee)
 - Chairman: the Hon Andrew Liao
 - Members comprise government officials, legal professionals, patent practitioners, as well as members of the academic, R&D and industrial sectors.
- December 2012:

The Advisory Committee submitted recommendations to the Government:

 1. establishing an “original grant” patent (OGP) system for grant of standard patents while retaining the current re-registration system
 2. retaining the short-term patent system with suitable refinements
 3. establishing a full-fledged regulatory regime on patent agency services, which should be set as the ultimate goal in the long run but has to be achieved in stages, with possible interim measures.



Review of the Patent System (2)

- February 2013: Government accepted the strategic recommendations made by the Advisory Committee
- LegCo Members have been briefed and the proposals have been generally supported by Members
 - Panel on Commerce and Industry
(February 2013 and April 2015)
 - The Establishment Subcommittee under the Finance Committee
(January 2014)



Patents (Amendment) Bill 2015

- **Key proposals of the Bill**

- A. Introducing an OGP system for grant of standard patents
- B. Refining the short-term patent system
- C. Implementing an interim measure for regulating local patent practitioners pending establishment of a full-fledged regulatory regime in the long run
- D. Introducing other technical and miscellaneous amendments

(A) Introducing an OGP System (1)

- Enabling an applicant for an OGP to file an application directly in Hong Kong without first obtaining a patent from any designated patent office outside Hong Kong
- Retaining the existing re-registration system
- Setting out the basic procedures for an OGP application:
 1. Upon receipt of an application, the Registrar of Patents will:-
 - a) examine the application to ascertain whether it complies with the requirements for **a filing date to be accorded** (new section 37M)
 - b) **examine on the formal requirements** and give the applicant an opportunity to correct the deficiencies if there are deficiencies in the application (new section 37P)
 - c) **publish the application** after expiry of the prescribed time after the application has passed the formality examination. (new section 37Q)



(A) Introducing an OGP System (2)

2. After publication of the application, the applicant must request the Registrar to carry out **substantive examination** of the application. (new section 37T)
3. Third parties may file their observations on the patentability of the invention within the prescribed time. The Registrar must consider **the observations** when carrying out the substantive examination. (new section 37R)
4. The Registrar may raise **objection** if the application does not fulfill any examination requirement. The applicant may file submissions or propose amendments to the application to address the objection. The applicant may also request the Registrar to **review** the objection. If the applicant does not comply with the examination requirements, the application will be refused. (new sections 37V, 37W and 37Y)
5. If the application, upon substantive examination, is found to satisfy all the examination requirements, the Registrar would **grant** the standard patent and **publish** the patent. (new section 37X)

(B) Refining the Short-term Patent System (1)

Short-term patent applications

- Relaxing the restriction on the number of independent claims (the amended section 113)

Applications after grant

- Setting out the basic procedures for substantive examinations of short-term patents after grant
 - procedures generally similar to those for substantive examinations of an OGP
 - the Registrar must revoke a short-term patent if it does not comply with all the examination requirements
(new sections 127A-127G)



(B) Refining the Short-term Patent System (2)

Prevention of abuse of unexamined short-term patents

- A patent owner, when making a threat of infringement actions, must provide certain patent documents upon request. A failure to provide such documents will render the threat groundless. (new section 89A(2) and (5))
- Refining the provisions about the burden of proof in groundless threats proceedings in relation to short-term patents (new section 89A(2) and (3))
- A patent owner must make a request to the Patents Registry for substantive examination (such request cannot be subsequently withdrawn) prior to the commencement of proceedings (the amended section 129(1)(b))
- A patent owner's application for an interlocutory injunction must be accompanied by evidence to establish prima facie the validity of the patent (the amended section 129(3))



(C) Interim Measure for Regulating Local Patent Practitioners (1)

- A full-fledged regulatory regime covers aspects, e.g. the establishment of a professional regulatory body, accreditation, use of titles, professional discipline, training, service monopoly and statutory backing. The Advisory Committee has been deliberating on these long-term issues and engaging stakeholders. Further work needs to be done.
- The proposed interim measure reserves certain specific titles which may likely be conferred on qualified patent practitioners exclusively under the future full-fledged regulatory regime.



(C) Interim Measure for Regulating Local Patent Practitioners (2)

- An offence to use the following titles: (new section 144A(1) and (2))
 1. Registered patent agent;
 2. Registered patent attorney;
 3. Certified patent agent;
 4. Certified patent attorney; or
 5. Any other title or description that would likely give the impression that a person's qualification for providing patent agency services in Hong Kong is endorsed by the Government or recognized by law
- Introducing appropriate exemptions
 - the use of professional titles (such as “solicitor”, “barrister” or “foreign lawyer”) by qualified legal practitioners in providing patent agency services in Hong Kong (new section 144A(4))
 - the reasonable use by patent agents in Hong Kong of professional titles that have been lawfully acquired outside Hong Kong (new section 144A(3))

(D) Other Amendments

- Technical and miscellaneous amendments, e.g.
 - Setting out that inventions relating to second or further medical uses could be regarded as new/novel so as to make claim drafting for these inventions simpler and more direct (new section 9B(5))
 - The proprietor of a standard OGP or a short-term patent (in respect of which a certificate of substantive examination has been issued) may apply to Registrar or the Court for amending the specification of the patent (the amended section 46)



Developing Indigenous Capacity for Conducting Substantive Examination

- Hong Kong has yet to develop indigenous capacity for conducting substantive examination for which it has no practicable knowledge and experience.
- IPD entered into a cooperative arrangement with SIPO in December 2013 under which SIPO agrees to provide technical assistance and support in conducting substantive examination and manpower training.
- The statutory powers relating to patent grants are solely vested in the Registrar.
- We plan to develop in incremental stages in-house capacity in conducting indigenous substantive examination in the medium to long term.



Other Implementation Tasks

- Drawing up proposals for subsidiary legislation to be made under the Bill
- Drawing up examination guidelines
- Setting up a new electronic system
- Training of patent examiners

Conclusion

- The Bill implements the strategic recommendations made by the Advisory Committee, and the legislative proposals are mainly procedural and technical in nature.
- In formulating the Bill, we have taken into account the patent systems, practices and procedures generally established in the international community. Representatives of the major local patent professional bodies have been consulted on certain provisions and their views have been considered.
- The new patent system is an integral part of the local IP protection regime and is also an important infrastructure for promoting the development of Hong Kong as a regional innovation, technology and IP trading hub.
- Comparing with economies with development path similar to Hong Kong or of comparable size with Hong Kong, it is relatively late for Hong Kong to start developing its own OGP system.
- We appeal for Members' support for the Bill.