

Bills Committee on the Patents (Amendment) Bill 2015

Draft Committee Stage Amendments

Purpose

In light of the scrutiny of the Patents (Amendment) Bill 2015 (the “Bill”) to date, the Government proposes to introduce Committee Stage Amendments (“CSAs”) to improve its drafting, as set out in a draft at Annex and explained in the ensuing paragraphs.

CSAs

2. To address issues raised by deputations, Members and the Assistant Legal Adviser (“ALA”), we propose CSAs to the following clauses of the Bill:

- (a) Clause 5(8) (section 2(2) of the Patents Ordinance (“the Ordinance”)) –

as follow-up to paragraph 8 of our letter dated 1 February 2016 (LC Paper No. CB(1)505/15-16(03)) in response to ALA’s letter dated 8 January 2016 (LC Paper No. CB(1)413/15-16(01)), by expressly referring to application for a standard patent (R) and standard patent (R) application;

- (b) Clause 9(2) (the Chinese text of section 6(5) of the Ordinance) –

as per paragraph 3 of our Paper to the Bills Committee issued in March 2016 (LC Paper No. CB(1)700/15-16(02)) to improve the reading of the relevant wording by deleting “內或在任何原授標準專利申請內” and substituting “或原授標準專利申請內，”;

- (c) Clause 13 (section 10 of the Ordinance) –

as follow-up to paragraph 9 of our letter dated 1 February 2016 (LC Paper No. CB(1)505/15-16(03)) in response to ALA’s letter dated 8 January 2016 (LC Paper No. CB(1)413/15-16(01)), by simplifying the provisions to ensure that the terms “designated patent application” and “designated patent” in section 10 of the

Ordinance have the meaning as defined in section 4 of the Ordinance;

- (d) Clauses 24(1) and 31(1) (sections 19(1) and 26(1) of the Ordinance) –

as per paragraph 10 of our letter dated 1 February 2016 (LC Paper No. CB(1)505/15-16(03)) accepting the amendment suggested in ALA's letter dated 8 January 2016 (LC Paper No. CB(1)413/15-16(01)) to align the English text of section 19(1) of the Ordinance with the Chinese text under Clause 24(1) of the Bill. We also propose corresponding amendments to section 26(1) of the Ordinance under Clause 31(1) of the Bill;

- (e) Clause 26 (section 22 of the Ordinance) –

as follow-up to paragraph 11 of our letter dated 1 February 2016 (LC Paper No. CB(1)505/15-16(03)) accepting the amendment suggested in ALA's letter dated 8 January 2016 (LC Paper No. CB(1)413/15-16(01)) to replace the term “a divisional corresponding designated patent application” in section 22(1)(b) of the Ordinance with “***divisional designated patent application***”;

- (f) Clause 35 (section 29(4) of the Ordinance) –

as per paragraph 11 of our letter dated 1 February 2016 (LC Paper No. CB(1)505/15-16(03)) accepting the amendment suggested in ALA's letter dated 8 January 2016 (LC Paper No. CB(1)413/15-16(01)) to replace the term “a notice” with “an application”, and make textual amendments to the Chinese text of the provision;

- (g) Clause 45 (the Chinese text of the heading of the proposed Part 3 of the Ordinance) –

as per paragraph 14 of our paper issued in March 2016 (LC Paper No. CB(1)700/15-16(02)) accepting Members' suggestion to replace “原案授予的” with “原授”;

- (h) Clauses 45, 96 and 106 (sections 37A, 37M, 108A and 114(7) of the Ordinance) –

as follow up to paragraphs 2 to 3 of our letter dated 5 April 2016 (LC Paper No. CB(1)757/15-16(03)) in response to ALA's letter dated 17 February 2016 (LC Paper No. CB(1)575/15-16(03)), and paragraph 2 of our letter dated 5 April 2016 (LC Paper No. CB(1)757/15-16(04)) in response to ALA's letter dated 16 March 2016 (LC Paper No. CB(1)700/15-16(03) (Revised)), by accepting ALA's suggestion to exclude patent applications under the Ordinance from the definitions of “non-Hong Kong application” and “specified application”;

- (i) Clause 120 (section 127E(4) of the Ordinance) –

as follow up to paragraph 5 of our letter dated 5 April 2016 (LC Paper No. CB(1)757/15-16(04)) accepting the textual suggestion in ALA's letter dated 16 March 2016 (LC Paper No. CB(1)700/15-16(03) (Revised)) to replace “are allowed” with “is allowed” ;

- (j) Clause 120 (section 127B of the Ordinance) –

having considered the submission by the Hong Kong Bar Association (the “Bar Association”), we propose to amend section 127B of the Ordinance to clarify the policy objective that the number of requests for substantive examination of a short-term patent should be limited in order to avoid abuse of the system. See point (g) under Part C of the Annex of the Government's response to written submissions and views of deputations (LC Paper No. CB(1)710/15-16(01)) explaining our policy intent that the owner or a third party may not request substantive examination of the patent again if an STP has already been substantively examined;

- (k) Clause 123 (section 129 of the Ordinance) –

having considered the submission of the Bar Association, we propose to further amend section 129 of the Ordinance to clarify the burden of proof of validity of short-term patents in

enforcement proceedings, and state the types of evidence adduced by short-term patent owners that would constitute sufficient proof of the validity of the patent or a relevant respect of the patent in the absence of evidence to the contrary adduced by the other party to the proceedings. See point (h) under Part C of the Annex of the Government's response to written submissions and views of deputations (LC Paper No. CB(1)710/15-16(01) explaining that when a short-term patent has been substantively examined, our policy intent is for the patent to be presumed valid subject to proof to the contrary by the party challenging the patent validity; and

(l) Clause 129 (section 144A of the Ordinance) –

we propose CSAs to the proposed new section 144A so as to better clarify the scope of the proposed prohibition under section 144A(2)(e), as well as the criminal threshold. Since the meaning of the amended subsection (2)(e) is very clear and will not prohibit the use of other professional titles (including titles of the legal profession), the original subsections (4) and (6) are no longer necessary and are correspondingly proposed to be deleted. See point (d) under Part D at Annex of the Government's response to written submissions and views of deputations (LC Paper No. CB(1)710/15-16(01)), and also the question raised in ALA's letter dated 16 March 2016 (LC Paper No. CB(1)700/15-16(03) (Revised)) about the initial wording "would be likely to give the impression" in the proposed new section 144A(2)(e).

Presentation

3. Members are invited to note the above.

**Commerce and Economic Development Bureau
Intellectual Property Department
April 2016**

Patents (Amendment) Bill 2015

Committee Stage

Amendments to be moved by
the Secretary for Commerce and Economic Development

<u>Clause</u>	<u>Amendment Proposed</u>
5	By deleting subclause (8) and substituting— “(8) Section 2(2)— Repeal “standard patent (標準專利的申請)” Substitute “standard patent (R) (轉錄標準專利的申請) and standard patent (R) application (轉錄標準專利申 請)”.”.
9(2)	In the Chinese text, by deleting “內或在任何原授標準專利申 請內” and substituting “或原授標準專利申請內，”.
13	By adding— “(3) Section 10, paragraph (a)— Repeal everything after “designated patent office” Substitute a semicolon. (4) Section 10, paragraph (c)— Repeal everything after “designated patent application” Substitute “; and”.

- 24 In the English text, by deleting subclause (1) and substituting—
- “(1) Section 19(1)—
- Repeal**
- everything after “the Registrar”
- Substitute**
- “must examine the request to ascertain whether the requirements of section 15(2) and (3) (*formal requirements*) have been satisfied.”.”.
- 26 By adding—
- “(2A) Section 22(1)(b)—
- Repeal**
- ““a divisional corresponding designated patent application””
- Substitute**
- “*divisional designated patent application*”.”.
- 31 In the English text, by deleting subclause (1) and substituting—
- “(1) Section 26(1)—
- Repeal**
- everything after “the Registrar”
- Substitute**
- “must examine the request to ascertain whether the requirements of section 23(3) and (4) (*formal requirements*) have been satisfied.”.”.
- 35 By adding—
- “(6A) Section 29(4)—
- Repeal**
- “a notice”
- Substitute**
- “an application”.

- 45 In the Chinese text, in the proposed Part 3, in the heading, by deleting
“原案授予的” and substituting “原授”.
- 45 In the proposed section 37A, in the definition of *non-Hong Kong application*, by adding “, other than a patent application under this Ordinance” after “or area”.
- 45 In the proposed section 37M(6), in the definition of *specified application*, in paragraph (a), by adding “, other than a patent application under this Ordinance” after “or area”.
- 96 In the proposed section 108A, in the definition of *non-Hong Kong application*, by adding “, other than a patent application under this Ordinance” after “or area”.
- 106 In the proposed section 114(7), in the definition of *specified application*, in paragraph (a), by adding “, other than a patent application under this Ordinance” after “or area”.
- 120 In the proposed section 127B, by adding—
- “(3A) No request for substantive examination of a short-term patent may be made if—
- (a) a previous request for substantive examination of the patent has been made, and—
- (i) the outcome of the substantive examination is still pending; or
- (ii) that request has resulted in the issue of a certificate of substantive examination of the patent or in the revocation of the patent; or
- (b) the patent has been found by the court to be wholly valid in any proceedings in which the validity of the patent is contested.”.

120 In the English text, in the proposed section 127E(4), by deleting “are
allowed” and substituting “is allowed”.

123 By deleting subclauses (3) and (4) and substituting—

“(3) Section 129—

Repeal subsection (2)

Substitute

“(2) In any enforcement proceedings—

- (a) it is for the proprietor of the short-term patent to establish the validity of the patent or a relevant respect of the patent (as the case requires) and the fact that the patent has been granted is of no account in that regard; and
- (b) in the absence of evidence to the contrary, any of the following is sufficient proof of the validity of the patent or a relevant respect of the patent—
 - (i) the certificate of substantive examination of the patent;
 - (ii) a certificate referred to in subsection (1)(c);
 - (iii) any evidence which is sufficient to establish prima facie the validity of the patent or that respect of the patent (as the case requires).”.

123 By deleting subclause (5) and substituting—

“(5) After section 129(2)—

Add

“(3) In any enforcement proceedings, an application by the proprietor of the short-term patent for an injunction under section 80(1)(a) in interlocutory proceedings must be accompanied by a certificate or evidence referred to in subsection (2)(b)(i), (ii) or (iii).”.

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By deleting the proposed section 144A(2)(e) and substituting—

- “(e) a title or description which may reasonably cause anyone to believe that the person using or permitted to use the title or description holds a qualification—
 - (i) that is specifically granted for approving that person to provide patent agency services in Hong Kong; and
 - (ii) that is recognized by law or endorsed by the Government.”.

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By deleting the proposed section 144A(4) and (6).