Panel on Commerce and Industry

Extract from the minutes of the meeting held on 15 November 2016

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- V. Progress of implementation of the patents reform and review of the manpower support for the implementation
 - (LC Paper No. CB(1)90/16-17(05) -- Administration's paper or

"Progress of Implementation of the Patents Reform and Review of the Manpower Support for the Implementation"

LC Paper No. CB(1)90/16-17(06) -- Paper on progress

Paper on progress of implementation of the patents reform prepared by the Legislative Council Secretariat (background

brief))

Presentation by the Administration

30. At the invitation of the Chairman, <u>Acting Secretary for Commerce and Economic Development</u> ("SCED(Atg.)") briefed members on the progress that had been made in implementing a new patent system in Hong Kong, key tasks that needed to be accomplished in the medium to long run, and the manpower support required under review, details of which were set out in the Administration's paper (LC Paper No. CB(1)90/16-17(05)). <u>SCED(Atg.)</u> said that the Administration had been reviewing the long-term manpower requirement in terms of organization setup and directorate leadership of the Intellectual Property Department ("IPD") to follow through the patent reform. The Administration would keep members informed of the outcome of the review as soon as practicable and seek members' support for any proposal as might be needed.

Discussion

Grooming of talents

31. Pointing out that the operation of the patent system in the United States

was supported by a pool of professionals in the patent industry, including patent attorneys and scientists with interdisciplinary knowledge, <u>Mrs Regina IP</u> enquired as to the Administration's plan for the grooming of requisite talents in the legal, science and engineering disciplines to support the operation of the original grant patent ("OGP") system in Hong Kong. <u>Mrs IP</u> suggested that the Commerce and Economic Development Bureau ("CEDB") should step up collaboration with the Education Bureau ("EDB") in promoting science, technology, engineering and mathematics ("STEM") education to nurture more talents of science and technology for the patent industry.

- 32. SCED (Atg.) advised that IPD had entered into a cooperative agreement with the State Intellectual Property Office of the Mainland ("SIPO") in December 2013 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 its in-house capacity in conducting indigenous substantive examination in the medium to long term following the establishment of the OGP system. On the other hand, the proposed set-up of the new examination unit at the Patents Registry for processing cases under the OGP system would comprise examiners with credentials in three major technical areas, namely chemistry, electricity and mechanical engineering. was believed that the establishment of OGP system would encourage more students to undertake studies in science and engineering disciplines in SCED(Atg.) took note of Mrs Regina IP's suggestion on enhancing collaboration between CEDB and EDB in promoting STEM education.
- Director of Intellectual Property ("DIP") added that local universities 33. were in the course of developing patent-related programmes. For instance, the School of Law of the City University of Hong Kong offered courses relating to patent law, practical skills on patent search and strategic use of patent information. Besides, the Master of Laws programme of the University of Hong Kong offered courses in respect of patent drafting. She added that IPD had also sponsored training courses and workshops on patent drafting and also on the qualification of patent agency practice in the Mainland, such as those separately organized by the Hong Kong Productivity Council and the Federation of Hong Kong Industries. It was anticipated that more patent-related courses and training programmes would be offered by local universities and industry organizations in the future to nurture talents with professional knowledge on patent.

Competitiveness of the new patent system

34. As patent protection was territorial in nature, Mrs Regina IP queried

whether there would be sufficient demand to sustain a cost-effective OGP system given the small market in Hong Kong.

- 35. Noting that the Patent Prosecution Highway ("PPH") programmes could help expedite the processing of patents applications in other countries, the Chairman enquired about the preconditions for Hong Kong to set up PPH. To enhance the competitiveness of the new patent system to attract more users, the Chairman was of the view that Hong Kong should set up PPH with other patent offices as early as possible. The Chairman also advised that the Administration should make reference to Singapore's experience in the establishment of the OGP system during implementation of the new patent system in Hong Kong. He was concerned whether the quality of patents granted under the new patent system in the future would be up to international standard.
- 36. SCED (Atg.) said that the establishment of the new OGP system was a strategic move to promote R&D and IP trading activities in Hong Kong. Besides, the OGP system accepted Chinese as one of the official languages for filing of patent applications and allowed local companies to apply for standard patent protection in Hong Kong directly without going through a designated patent office, thus providing an efficient and user-friendly filing route for local applicants. Given that patent protection was territorial in nature, there was no international norm that patents granted by a national patent office would receive automatic recognition by another patent office. However, upon the establishment of the new OGP system, Hong Kong would be in a better position to negotiate for setting up PPH with other patent offices to expedite the examination process, which would facilitate OGP applicants to seek patent protection in other jurisdictions, thereby enhancing the attractiveness of the OGP system.
- 37. Regarding the preconditions for pursuing PPH, <u>DIP</u> explained that under PPH, a patent applicant could request an accelerated processing of patent application at the patent office of second filing, when the patent office of the first filing had already found corresponding patent claims allowable. Accordingly, it was essential for a patent authority to build up its international credibility in patent examination so that it could be in a better position to negotiate with other patent authorities for PPH. Given that SIPO had entered into PPH programmes with at least 20 patent offices and that SIPO would provide technical assistance in conducting substantive examination of patent applications filed under the OGP route in Hong Kong, the Administration would consider initiating discussions with other patent authorities for establishing bilateral and plurilateral PPHs in due course after rolling out the new patent system.

Manpower support for Intellectual Property Department

38. <u>Ir Dr LO Wai-kwok</u> declared that he was a member of the Bills Committee on Patents (Amendment) Bill 2015. Expressing support for the establishment of the new OGP system in Hong Kong, <u>Ir Dr LO</u> urged the Administration to complete the manpower review and submit proposal, if any, to LegCo as early as possible so as to provide IPD with the necessary manpower to take forward the work relating to the implementation of the new patent system. <u>SCED(Atg.)</u> noted Ir Dr LO's view and advised that the Administration would keep members informed of the outcome of the review on IPD's long-term manpower requirement in due course.

Summing up

39. <u>The Chairman</u> advised that the Administration should, in the relevant establishment proposal to be submitted to LegCo in the future, address members' concerns expressed at the meeting, including the concern on the cost-effectiveness of the new patent system.

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