

## LCQ17: New patent system

Following is a question by the Hon Kenneth Leung and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (April 22):

Question:

The Patents (Amendment) Ordinance 2016 and the Patents (General) (Amendment) Rules 2019 came into operation on December 19, 2019 to provide the necessary legal and procedural framework for a new patent system. The new patent system mainly introduces an original grant patent system, and original grant patent applications are subject to substantive examination by the Patents Registry for determining the patentability of the underlying inventions. In this connection, will the Government inform this Council:

(1) given that the Patents Registry charges a fee of \$4,000 for substantive examination in relation to an original patent application, whether such level of fee complies with the "user pays" principle; if so, of the details; if not, the reasons for that;

(2) whether it has assessed the direct and indirect economic benefits that the implementation of the new patent system may bring to Hong Kong;

(3) as it has been reported that during the initial stage of the implementation of the new patent system, the National Intellectual Property Administration will provide the Hong Kong Intellectual Property Department with technical support and talent training (including the provision of technical advice on writing the description of the technology of an invention and the claims in the patent specifications, as well as conducting searches), of the duration of the arrangements for the provision of the said support and training and the fees charged; the criteria adopted by the Intellectual Property Department for selecting the patent office responsible for providing the Department with the relevant support and training, as well as the jurisdictions whose patent offices have been considered by the Department; and

(4) whether it has set up Patent Prosecution Highway or bilateral arrangements with the patent offices in other jurisdictions to expedite the examination of patent applications; if so, of the details; if not, whether there are any plans for that?

Reply:

President,

Hong Kong launched the new patent system on December 19, 2019. This mainly involves the introduction of an original grant patent (OGP) system which provides an applicant with the option of direct filing of standard

patent application with the Patents Registry in Hong Kong, as an alternative to the pre-existing "re-registration" route (which requires the filing of a corresponding application with a designated patent office outside Hong Kong in the first place).

Our reply to the various parts of the question is as follows:

(1) The fee charged by the Patents Registry for substantive examination of an OGP application is a statutory fee item, which was set pursuant to the requirement under section 149(6) of the Patents Ordinance and the Government's established principles of "user pays" and overall full-cost recovery.

(2) Implementation of the new patent system can help enhance the local patent system and bring it on par with the standard of mainstream patent systems of the international community. Under the OGP system, an applicant may seek standard patent protection in Hong Kong directly, without having to file an application with any of the designated patent offices outside Hong Kong in the first place as required under the "re-registration" route. It may therefore help applicants save cost. Implementation of the new patent system can help researchers seek protection for their R&D outcomes, thereby bringing a positive impact on the development of innovation and technology as well as scientific research in Hong Kong, and foster the development of Hong Kong as an intellectual property trading hub in the long term.

(3) In developing its OGP system, Hong Kong will need to build up in a gradual and orderly manner its indigenous capacity for conducting substantive examination, which cannot be achieved overnight. At the early stage of implementing the OGP system, the China National Intellectual Property Administration (CNIPA) would provide the Patents Registry with the necessary technical support, professional advice and personnel training for establishing Hong Kong's indigenous capacity for conducting substantive examination. Such support would be provided free of charge.

CNIPA would also provide technical advice to the Patents Registry on the substantive examination of each OGP application (but whether approval should be granted to individual applications remains a matter entirely subject to determination by the Registrar of Patents in accordance with Hong Kong law). CNIPA will charge the Patents Registry a fee for the service rendered. Such fee has been included in the statutory fee charged by the Patents Registry for each application.

It is in view of CNIPA's profound professional knowledge and experience in patent examination that we seek its technical assistance for our implementation of the OGP system at the initial stage. CNIPA is one of the top five patent offices in the world. It is the patent examination office which has received the largest number of patent applications worldwide since 2011. CNIPA is also one of the International Searching Authorities and the International Preliminary Examining Authorities designated under the Patent Cooperation Treaty. In recent years, about 60 per cent of the standard patents granted in Hong Kong via the "re-registration" route were based on

the patents granted by CNIPA. Moreover, CNIPA possesses the essential examination capabilities and language proficiency to assist the Patents Registry in conducting examination for applications filed in Chinese or English.

(4) It is our current priority to gain more indigenous experience and knowledge in conducting substantive examination, so that Hong Kong's OGP system can build up the recognition for its capacity to conduct examination in line with international standards and deliver sound output in terms of both quantity and quality. This is essential to equip Hong Kong with sufficient strength to initiate discussions with other patent offices (including CNIPA) in exploring the possibility of pursuing co-operation agreements on a reciprocal basis, so as to facilitate OGP applicants in seeking corresponding patent protection in other economies. Such facilitation may be achieved by, say, establishment of mechanisms which allow the applicants to request one patent office to expedite the examination of their patent applications, on the basis that another patent office has already allowed the corresponding patent claims.