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cc
bcc
Subject review of patent system in HK

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Dear Ms Wong,

On the 3 items on the review of the Hong Kong patent system;

(a) Standard patents: Whether Hong Kong should have its own "original grant" patent system. The other main issue is whether the current "re-registration" system should be maintained, and, if so, whether the system should be expanded to recognise the patents granted by jurisdictions
other than the current three "designated patent offices".

(b) Short-term patents: Whether the short-term patent system should be retained as a supplement to standard patents, and, if so, what measures should be introduced to enhance the efficacy of the system.

(c) Regulation of patent agency services: Whether the provision of patent agency services in Hong Kong should be regulated, and, if so, what form the
regulatory system should take.

I would like to put forward an alternative idea which seems to be generally
acceptable among the people I have discussed this with.

As we all understand, the cost of being an original patent issuing authority is much too expensive for a small population like Hong Kong. Yet
we have an obligation under the Basic Law to have our own IP system and laws.

There seems to be no reason, under the Basic Law or otherwise, why our own
IP system can not allow for the automatic extension of Chinese patents (patents for inventions, utility models and industrial designs). The current two step registration process is just too bureaucratic and does not
give users any additional safeguards or assurance. A single step registration within the initial 12 month convention priority period would be acceptable but the best and simplest approach is simply to allow all Chinese patents to automatically be effective and enforceable in Hong Kong
without any additional requirements such as pre-registration and post-registration. Indeed, many lay people already believe that a Chinese
patent provides protection in Hong Kong and Macau.

The current option of allowing registration of UK and European patents has
run its course. Anybody looking for patent protection in Hong Kong and Europe or USA will have (must have) a corresponding Chinese patent application. Thus why do we need to have a Chinese patent and a separate

Hong Kong patent? The additional cost of getting the Chinese patent is not an additional cost, it is an essential part of an overall patent protection strategy. However, the cost of getting the Hong Kong patent is an additional cost.

A common concern regarding the quality of the Chinese examination is also not addressed by having Hong Kong as an original patent issuing authority as the most likely scenario would be for Hong Kong to outsource the examination of the patent applications to the Chinese IPO in any event, so the quality will be the same.

Hong Kong's legal system is still considered as superior to the legal system of China and thus the option of being able to enforce a Chinese patent in Hong Kong is still very attractive, especially for Hong Kong residents and especially where the articles in question are being transhipped via Hong Kong from China to the rest of the world. As there is little manufacturing done in Hong Kong any more, the value of a stand alone Hong Kong patent is minimal. For most manufacturers with large factories in China, the cost of a Hong Kong patent is not justifiable. No one will make a high volume product just for the Hong Kong market. The product must have appeal to Chinese consumers and/or to consumers in USA and Europe. Often this is true for high priced, low volume items as well.

The Chinese patent system does have an option which provides coverage similar to the Hong Kong short term patent. Designs are also registerable under the Chinese patent system, thus providing the complete range of patent protection.

To provide a real benefit to Hong Kong residents, the HK IPD could expand the services it provides to local (and possible foreign) inventors by negotiating with the Chinese IPO to become a receiving office for the Chinese IPO to allow locals to receive a filing date based on the date the application is deposited in Hong Kong. Another benefit would be to allow local filing of patent applications in a foreign language to obtain an early filing date with the Chinese translation (version) to be filed shortly thereafter, say 1 to 3 months, as is done in Japan. This would be a much better use of the limited resources available to the HK IPD than trying to set up and run an original patent issuing authority. As a local branch office of the Chinese IPO, the HK IPD could provide all the necessary documentation required by Hong Kong courts and mediation/arbitration centres for any action enforcing the rights of a patent owner, simplifying the process, reducing the time involved and maintaining credibility of the documents provided.

As for regulation of Patent agency services, Hong Kong has always been a place where there have been a great choice in service providers. While regulation does offer the hope of a higher standard of service, sadly this is not true without strict regulation, controls and compliance, which costs are passed on to the customers. While a current list of practising Patent

agencies could be useful for finding a patent agency, generally as each applicant or individual inventor should have the right to represent themselves and seek help as and when they wish, the patent agencies should not be regulated. Over regulation will drive the demand for these services to other, cheaper, nearby centres. We have seen in other sectors that regulation has driven up the costs of services without any noticeable improvement in quality.

Best regards
Chris Murray

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