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PATENT, DESIGN & TRADE MARK AGENTS

Submissions made in Response to the Public Consultation Paper

on

Review of the Patent System in Hong Kong 2011

Standard Patent System

(a) What benefits will an OGP system bring to Hong Kong? Will an OGP system promote local innovation and enhance patent quality?

An OGP system might benefit local inventors whose inventions are targeting the local Hong Kong market only. By applying for oversea patents only to seek local protections through re-registration is a burdensome exercise and wasteful use of resources. An OGP system in Hong Kong will mitigate such shortcoming. Other than what is stated above, there is little benefit an OGP system can bring.

An OGP system by itself is not a driving force for local innovation or investment in research and development. Fostering economic and social conditions, availability of highly educated workforce, human entrepreneurial spirits, progressive government policies, respect for intellectual properties, and effective enforcement on the protection of intellectual properties are the primary motivators.

Patent quality depends on the procurement, examination, and enforcement of patents. There is no substantial deficiency in any of these three areas. It is difficult to gauge the quality enhancement that an OGP might bring.

(b) Will there be sufficient demand to support an OGP system in Hong Kong? Will it be a cost-effective system?

Other than those local inventors of inventions of domestic scope mentioned above, it is unlikely that inventors would deploy their limited resources to go through an expensive patent application substantive examination just to obtain a patent in Hong Kong only. The more common scenario is that at least a patent for a larger market i.e. China is sought in addition to Hong Kong.

HONG KONG OFFICE:
5001 Hopewell Centre,
183 Queen's Road East,
Hong Kong
Tel : +852 2810 0558
Fax : +852 2810 0933

echk@ellacheong.com
www.ellacheong.com

BEIJING OFFICE:
408, 4th Floor, Block B, Chengjian Plaza
18 Beitaipingzhuang Road
Haidian District, Beijing 100088, China
Tel : +86 10 8225 5655
Fax : +86 10 8225 5199

Please send all correspondence to our Hong Kong office

In association with Ella Cheong Spruson & Ferguson (Singapore & Malaysia)

An OGP system in co-existence with the current re-registration system will not generate sufficient demand. An OGP system in place of the current re-registration system is not cost-effective.

(c) Should we introduce an OGP system in Hong Kong with substantive examination outsourced to other patent office(s), and, if so, which office(s) and why?

There is no compelling reason for an OGP system in Hong Kong.

(d) Irrespective of the answers to (c) above, should the current "re-registration" system be maintained, and, if so, should the system be modified as appropriate, including expansion to recognize the patents granted by other jurisdictions(s), and, if so, which jurisdiction(s)?

The current re-registration system should be maintained for the aforementioned reasons.

Expansion to recognize patents granted by other jurisdictions
Expansion to include more jurisdictions of designated patents is beneficial to Hong Kong.

The U.S. would be a top candidate for inclusion. The U.S. is the second largest trading partner of Hong Kong after China. In last year alone, the total trade volume between Hong Kong and the U.S. was more than half a trillion Hong Kong dollar, five times more than that of Hong Kong-U.K. Last year, Hong Kong inventors have filed over 900 U.S. Utility Patent applications. It is reasonable to assume that a good percentage of these local inventors would follow up with Hong Kong re-registrations if the U.S. were indeed one of the designated patent jurisdictions for the Hong Kong Standard Patent.

It has been raised before that the differences in law between different countries is a concern. However, it appears that the current Hong Kong patent system, whether at the administrative level or at the judicial level, can well manage the substantial differences between China and the U.K. patent laws. The U.S. shares the same common law origin as in Hong Kong and the U.K. The USPTO is well established and remains the receiver of largest number of patent applications worldwide. Furthermore, with the latest amendment of patent law (America Invents Act), the U.S.

patent law is moving towards international harmonization. The Hong Kong patent system should be able to easily accommodate U.S. patents as designated patents.

For similar reasons, Japan, as the third largest trading partner of Hong Kong, and other EU members should also be included.

Other Modification

The current re-registration system is a two-step process, which requires an applicant to first file a Request to Record (RR) within six months of the publication of the designated patent application. Then he/she must file a Request to Grant (RG) within six months of the grant of the designated patent. This rule is overly strict and punitive. There is no corrective mechanism available. If the applicant fails to act before the close of the window of six-month time in either step, the right to patenting his/her invention in Hong Kong is permanently lost.

A better re-registration would provide the means to revive inadvertently foregone rights to patent, and grace periods beyond the statutory time to allow the cure for delinquencies. For example, in the U.S. there are laws governing the revival of abandoned applications for a fee. Certain late actions during patent prosecution are also accepted with the payments of late surcharge.

Short-Term Patents

(e) What benefits does the short-term patent system bring to Hong Kong? Does it promote local innovations?

The short-term patent system provides a fast and affordable system for protection simple inventions or innovative products that have short a market lifespan.

(f) Should we retain the current short-term patent system in its existing form, or should we introduce changes to the system? If the latter, what sort of changes should be introduced?

Overall, the current short-term patent system should be maintained.

If we introduce changes to the short-term patent system, what sort of changes should be introduced?

(1) Should we introduce substantive examination? If so, when should it be carried out? Should it be a mandatory requirement or optional? Should it be a condition for commencement of infringement proceedings? Should the question of whether a substantive examination be carried out be left to the choice of the patent owner or a third party, and who should bear the costs?

A substantive examination before grant would defeat the purpose of the short-term patent.

Without a substantive examination, the validity of the short-term patent is unknown. To balance the interests between the inventor and the public, a substantive examination should be carried out as a condition for commencement of infringement proceedings.

The limitation of only one independent claim should be maintained. The claimed scope of the invention in a short-term patent should be clear and easily ascertained.

(5) What other changes are required?

The requirement of obtaining a search report during the application process should be removed.

There is no practical use of a mandatory search report during the application process. A search report by itself is not determinative to the validity of the short-term patent. It adds substantial burden to the applicant while providing little value. The validity of a short-term patent should be proved by substantive examination as proposed above.

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By: Sam Yip
U.S. Patent Attorney / Attorney at Law

HONG KONG OFFICE:
5001 Hopewell Centre,
183 Queen's Road East,
Hong Kong
Tel : +852 2810 0558
Fax : +852 2810 0933

echk@ellacheong.com
www.ellacheong.com

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408, 4th Floor, Block B, Chengjian Plaza
18 Beitaipingzhuang Road
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