

**RESPONSES TO PUBLIC CONSULTATION ON PATENT REFORM AND PATENT
ATTORNEY REGULATION IN HONG KONG**

OVERVIEW

RESPONSE TO IPD QUESTIONS A – E

QUESTIONS A (i) – (iii)

A.i. Should we draw up and publish a list or register of patent agents with their qualifications for public information as a first step?

Yes, a Register of Patent Agents with their qualification should be setup for public information as soon as possible. There is a lot of confusion in Hong Kong currently regarding the patent profession, and proper regulation must be put in place to protect the public from any person who may abuse the titles of "Patent Agent" or "Patent Attorney". These titles must be regulated by law.

We believe a general list of patent agents/practitioners without taking into consideration of their qualifications would not be necessary. If, however, for whatever reason, a general list, has to be produced before registration, we propose to include the members from HIPP (the Hong Kong Institute of Patent Practitioners) and Hong Kong members of APAA (the Asian Patent Attorneys Association) first as those are professionals who are already practicing in the industry in Hong Kong.

A.ii. If so, what are the criteria for inclusion in the proposed list or register and what specific information should be provided? Should the provision of information be entirely voluntary?

For the Register, we propose a system similar to what is currently used in the UK, that is, protected titles for "Patent Agents" as well as, separately, "Patent Attorneys". In order to be included in either the Register of Patent Agents and/or the Register of Patent Attorneys, specific qualifications must be met by the candidate. In order to proceed with the setup of the Registers, the provision of the relevant information by either the individual professionals and/or the Patent Agencies should be obligatory and vetted by an Admission Panel.

A.iii. Which party should administer the list or register? What could be the means of publication? Should this be an administrative arrangement or backed up by the law?

The Hong Kong government should initiate the registration process and the Register must be made readily available to the public similar to a register of medical doctors and solicitors. The government should administer the initial administration process (including the appointment of the Admission Panel) when the regulation is firstly implemented. After the initial setup process, continual monitoring of the process can be done by the government or can be outsourced to a professional institute such as HIPP for implementing the work. With regards to the registration requirements, they must be backed up and regulated by law.

The Registers can be published on the IPD website. The scope of work of Patent Agents and Patent Attorneys should also be posted on the same website.

Questions B (i) – (iii)

B. i. Should we in the first instance seek to control the use of titles, or should this be implemented in the next stage after putting in place the list or register in sub-paragraph (a) above? What specific titles should be controlled?

The control of the use of titles should be implemented as soon as possible and together with the registration process.

Regarding the second question, the titles which need to be controlled are “Patent Agent”, “Patent Attorney” and “Patent Agency”.

“Patent Agent” should be technically trained with the necessary skills.

“Patent Attorney” are *either* a Patent Agent *or* solicitor *with specialist patent knowledge or training* to practice before IPD for filing Hong Kong patent applications, but only Patent Agents can do the substantive work (see answer to Cii).

“Patent Agency” – refer to the answer to Question Bii.

In the long run, in order to establish Hong Kong as an IP hub, other titles (and professions) should also be regulated and certified with proper training, such as IP Valuation Analyst, IP Risk Assessor, IP Broker.

B. ii. What are the criteria to be adopted in determining qualified persons or firms? For example, should qualifications (foreign or local), passing accredited examinations, or taking accredited courses be adopted as the criteria?

In terms of the qualifying requirements for a “Patent Agent”, we can use the following existing admission requirements from HIPP according to the Art 58 of the Article of Association of the Institute:

1. A Foreign registered Patent Agent/Attorney from a Recognized Jurisdiction (Australia, New Zealand, Canada, China, UK, US and other EP recognized countries) who is residing in Hong Kong or is a resident of Hong Kong and has been practicing patent law in Hong Kong for at least one year;

OR

2. A science or engineering graduate who
 - a. has passed or is deemed to have passed the qualifying Examinations as set forth in the Suggested List of approved Examination (see below); and
 - b. has completed an apprenticeship under a Hong Kong Registered Patent Agent or a Foreign registered Patent Agent/Attorney for at least 3 years, at least one of those years being in Hong Kong. A letter of recommendation would be required from the supervising Hong Kong Registered Patent Agent or Foreign registered Patent Agent stating that the candidate has the necessary skills and knowledge to practice as an independent Patent Agent.

Suggested List of Approved Examination

The following degree(s) or examinations are accepted as the qualifying exams for a Hong Kong Registered Patent Agent:

1. Masters of Intellectual Property (MIP) from University of Technology Sydney or equivalent course to fulfill the knowledge requirement to qualify as an Australian Patent Attorney
2. CIPA examinations or equivalent course to qualify as Chartered Patent Attorney
3. SIPO examinations to qualify as Chinese Patent Attorney
4. NZ examinations to qualify as New Zealand Patent Attorney
5. USPTO examinations to qualify as US Patent Agent

While for the qualification of a “Registered Patent Attorney”, the eligible person is required to fulfill either one of the following two requirements:

1. A Patent Agent under the meaning explained above.

OR

2. Solicitors who have passed a specialist patent course/training which would be provided by a professional institute such as HIPP, FICPI (Fédération Internationale des Conseils en Propriété Industrielle) or CIPA (Chartered Institute of Patent Attorneys).

As for the setup of the "Patent Agencies", the government should look into the possibility of regulating Patent Agencies in addition to Patent Agents and Patent Attorneys in the light of the fact that China has a patent agency licensing requirement to practice before SIPO. It is essential to have a more detailed discussion with SIPO before such regulations for Patent Agencies should be implemented with a view for mutual recognition under CEPA for Hong Kong Patent Agents and Agencies to be able to practice in China in return for Chinese Patent Agents and Agencies being able to practice in China under the Regime. If agreement cannot be made, the decision of regulating patent agencies should then not be made.

We recommend that the new patent regulatory regime allows for "mixed" practices of professionals i.e. Patent Agents, Patent Attorneys, solicitors and accountants may be shareholders of a Patent Agency and partners of solicitor and CPA firms.

As mentioned earlier, there would be other IP professionals such as IP brokers, IP analysts and IP valuers working in the future knowledge industry and thus we recommend that these professionals should be regulated in the next phase of development after the regulations for Patent Agents and Patent Attorneys have been put in place.

B.iii. Should we rely on foreign qualifications and accreditation or should we establish an indigenous system?

We agree that foreign qualifications should be used as one of the alternatives for the qualifying requirement. With reference to the existing HIPP requirement for admission as a Patent Agent (see the answer to question Bii.), an eligible person with foreign qualifications in addition to some localization can become registered.

In the initial period, the localization requirement may simply be a one year working period in Hong Kong. In the future, the one year working experience may be superseded by the requirement to take and pass a Hong Kong Patent Law course/exam.

C.i. How to administer the conferral of qualifications and accreditation of examinations and courses, and put in place the necessary education programmes?

In terms of administering the qualifications and examination (foreign exams in the first phase) papers, the Hong Kong government should be the governing body conferring the registration in the first instance, and then either the government or its subcontracting institution can continue the registration process for future professionals.

HIPP is working with CIPA in the UK to bring their training program and qualifying exams to Hong Kong. The Australian qualifying MIP course is already available to Hong Kong citizens as it is an online course. The government can also work with other accreditation bodies, such as SIPO, ACIP, IPONZ to bring their training programmes, education materials and the qualifying examination papers to Hong Kong, either physically or via correspondence course.

We suggest setting up the necessary education programmes in 3 phases :

Phase 1A:

1. Collaborate with CIPA in providing some of their qualifying papers.
2. Establish webinars or onsite training in Hong Kong to prepare individuals for the CIPA exam.
3. Communicate with UK/AU universities that currently provide IP/patent agent qualifying courses. Currently, in UK, such courses allow exemption from Foundation Papers, though applicants are still required to pass Advanced Papers.

Phase 1B:

4. Possibly get in touch with SIPO, IPONZ and SG's IP Academy (which provides accreditation courses) through CIPA about their qualification exams and courses.

Phase 2:

5. An additional HK Patent Law course/exam that is required for both Patent Agent and Patent Attorney candidates. Patent Agent candidates would also have to complete and pass one of the foreign qualifying regimes mentioned in Phase 1A.

C.ii. What mechanism is required to uphold service quality and professional discipline (for example, under what conditions should a patent practitioner be disqualified from using the title)?

The Hong Kong government should draft the regulations discussing in more details regarding the professional conduct and ethics requirements of both Patent Agents and Patent Attorneys.

We propose the following main requirements:

1. Conflict of interest management guidelines
2. Professional Indemnity Insurance
3. Confidentiality guidelines
4. Setting up a governing council
5. Other rules of conduct or disciplinary measures

In terms of upholding the service quality, there should be a list of activities that is restricted to Patent Agents who have the necessary skills. These should include drafting patent specification and claims, responding to substantive queries about patentability raised by examiners, advising on patent validity and infringement issues.

Disqualification or other disciplinary measures can be determined by a Disciplinary Panel similar to those set up for other professionals such as physicians, accountants and solicitors.

C.iii. What party or parties should be entrusted to oversee the profession and all these qualification, service and title matters?

The Hong Kong government should take the lead in this discussion and finalize the relevant qualifications. Thereafter, the responsibility of overseeing the profession and all these qualifications can be outsourced to a private non-profit organization with a disciplinary committee. In this way, the code of conduct and professionalism of the Patent Agents or Patent Attorneys will be under close monitoring and safeguarded.

QUESTIONS D (i) – (iv)

D.i. Should there be any grandfathering arrangement for existing service providers to facilitate their transition to the new regulatory regime? Are there any other alternatives to grandfathering?

Yes, those who have the necessary skills and experiences but whether or not they have taken or passed the required qualifying exams should be allowed to grandfather in as Patent Agents or Patent Attorneys.

D.ii Regarding the grandfathering arrangement, what are the criteria to be adopted, such as working experience, qualifications and training?

Regarding the criteria for grandfathering arrangement for Patent Agents, it has already been established by HIPP. We propose a similar requirement as follows :

(A) A Registered Patent Agent in a Recognized Foreign Jurisdiction (see the answer in B ii (1) for the jurisdictions) who is residing in Hong Kong or a Hong Kong permanent resident or

(B) A technical degree holder and Hong Kong resident who

1i). has been working continuously for 5 years in the area of patent in Hong Kong before the regulatory regime started; OR

1ii) has been working during those 5 years under the supervision of a foreign Patent Agent and has been certified as having the knowledge and skills to independently draft and handle patent applications in a substantive context, and to provide validity and infringement opinions

2) applied to the regulatory institute/authority before its first anniversary; and

3) satisfies the drafting requirement as set forth in Requirement B(3) – see below.

Requirement B(3)

In order to be grandfathered as a Patent Agent, there should be some specific drafting requirements set up for ensuring professional standard if the candidate is not certified from a recognized foreign jurisdiction. Drafting samples should be submitted for evaluation and approval by the regulatory authority:

1. 10 or more samples of original drafted patent applications should be required. A signed Declaration stating that the drafting samples are (substantially) independently written by the applicant should also be required.

If the samples are drafted under supervision, the supervisor should be a Foreign Patent Agent and a recommendation letter signed by the Foreign

Patent Agent should be submitted together with the sample to indicate the extent of the supervision and the level of skills of the candidate.

2. At least 3 among the 10 samples should be granted US non-provisional or European patents.
3. The 10 samples should not fall within the same family of invention.

We propose that an Admission Panel should be set up by the regulatory authority, similar to the existing Certification Committee of HIPP, with members having many years of experience in patent drafting and prosecution, to review the applicant's submitted samples and documents and judge the applicant's eligibility to be admitted as a Patent Agent under this grandfathering arrangement. Grandfathered Registered Patent Agents should also be allowed to be grandfathered in as Patent Attorneys as well.

As for the grandfathering arrangement for Patent Attorneys with a solicitor qualification, we propose that members of existing organizations, such as the APAA and/or FICPI (HK members) be allowed to set up a Admission Panel (or Certification Committee) of their own to come up with the grandfathering qualification for solicitors.

D.iii. Should the parties benefiting from the grandfathering arrangement be allowed to use the same or different titles as qualified persons or firms, or to provide a full or limited range of the regulated services?

There should be no distinction of title once the qualified applicant has been grandfathered. In other words, a grandfathered Patent Agent (who will also be entitled to hold the title Patent Attorney) can hold both the Patent Agent and Patent Attorney titles without limitations.

A grandfathered Patent Attorney (if he/she does not qualify to hold the title Patent Agent) is entitled to hold the title Patent Attorney only (that is, cannot be called Patent Agent) without limitations.

D.iv. Should the grandfathering arrangement be provided only for a finite period to encourage the beneficiaries to obtain the necessary qualifications under the new regime? If so, how long should the period be?

Yes, the grandfathering provision should only be available for a very limited period of

time, for example, a candidate must apply within one year from the passing of the regulations, and must show that they possess the necessary skills as discussed above. Thereafter, all candidates should pass the necessary examinations.

QUESTIONS E (i) – (iii)

E.i. Of the possible interim measures identified above, which of them can be introduced before the OGP system? Can a list or register of patent agents with their qualifications be drawn up at an earlier stage?

The regulation of the Patent Agent and Patent Attorney professions should be implemented as soon as possible and should not be affected by the timeline of the OGP system. One of the immediate concerns for the OGP system is the requirement of hiring many patent examiners with extensive costs involved. It would therefore require extensive discussion to determine how to defray such costs with the subsequent implementation.

On the other hand, having regulated Patent Agents and Patent Attorneys is an imperative need that should be addressed immediately due to the potential for Hong Kong to become an IP Hub. The HK IP Hub does not necessarily need an OGP system to operate. In fact, it does not even need to apply Hong Kong Patent Law because most of the patents that are being traded worldwide to date are US patents, and in China, it is Chinese patents that are being traded. A HK registered Patent Attorney in order to participate in such transaction activities would need to know foreign Patent Law instead. Similarly, a HK registered Patent Agent needs to be able to understand, search and review US, European and Chinese patents.

It is not necessary to have a general list as an interim measure. Instead, the 2 Registers can be set up as all elements for setting up the Registers are already in place, as mentioned above.

E.ii. Should the control of the use of particular titles be introduced before the OGP system? Would it be different if we go for the establishment of an indigenous system to oversee the use of titles?

Yes, the titles of Patent Agents and Patent Attorneys should be introduced whether or not the OGP system can be implemented. In addition to the reasons stated above, the fact is that the number of Hong Kong patent applications filed internationally far

exceeds the number of those filed domestically in Hong Kong (as shown in Table 1 below). In other words, the local community needs Patent Agents to advise them on patent strategies for overseas major jurisdictions including drafting and patentability analysis, *regardless* of the state of Patent Law in Hong Kong. Thus there is an urgent need for introducing the regulatory system for the control of professional titles in Hong Kong. This would prevent abuse of the titles that would cause confusion to the public and result in unqualified persons advising on patent strategies, drafting and handling patent applications.

Table 1

Number of Hong Kong patent applications filed domestically vs. internationally
Number of Published Patent Applications (Families) with HK origins (Applicants with Hong Kong Address)

Year of Publication	US/EPO/PCT	HK Std.	HK Short Term
2008	1,038	173	297
2009	1,084	149	362
2010	1,349	133	385
2011	1,643	181	383
2012	1,249	171	443
	Total: 6,363	Total: 807	Total: 1,870

E.iii. As for the ultimate goal of regulating the provision of services, should this be only considered until there is sufficient experience in the operations and requirements of the new OGP system?

No, the introduction and regulation of the Patent Agent and Patent Attorney titles should be implemented as soon as possible no matter when the new OGP system will be introduced as discussed above in the answer to question Ei. With the assistance of CIPA and possible SIPO, the registration and training of Patent Agents and Patent Attorneys should begin immediately.

Furthermore, we propose setting up Hong Kong as a PCT receiving office and only Hong Kong Registered Patent Agents/Attorneys are permitted to file such PCT applications for clients worldwide in order to achieving the long-running objective of establishing Hong Kong as an international IP hub and negotiation of mutual

recognition of Patent Agents and Agencies with SIPO.