

**Marks&Clerk**



# **Patent Prosecution in China**

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PANIC!**

## Summary of Seminar

Introduction to the Chinese Patent Law

The Chinese Patent Office

Invention Patents

Utility Model Patents

Design Patents

## **Introduction to the Chinese Patent Law**

China's Patent Law is relatively new - only since 1985

Law Amended in 1993 and 2001, with a third set of amendments currently being considered.

Law set up with much input from Germany – hence reflects much of German thinking (e.g. separation of validity & infringement) and shares many ideas with EPC (e.g. patentable subject matter, unity, added matter).

Invention Patents, Utility Model Patents and Design Patents all governed by the same law (and implementing regulations)

## Geographical Extent of Patent Protection

People's Republic of China – mainland China

(not including Hong Kong, nor Macau)

- HK Patents – register EP (provided UK is designated) GB national or CN application within 6 months from publication and within 6 months from grant
- Independent HK short-term patent (8 years)
- HK Designs - independent
- Macau Patents – register CN any time
- Independent Macau utility model patent (10 years)
- Macau Designs - independent

Not Taiwan (Republic of China)

- Taiwan has an independent Patent & Design system

## The Chinese Patent Office

State Intellectual Property Office (SIPO) – Founded 1980 as the Chinese Patent Office. Now the Patent Office is part of the SIPO.

Patents only – no Trade Marks

## Filing Statistics - 2007

- SIPO – Patent applications: 245,161 (grants: 67,948)  
Utility model applications: 181,324 (grants: 150,036)  
Design applications: 267,668 (grants: 133,798)
  
- EPO – Patent applications: 140,725 (grants: 54,699)
  
- USPTO – Patent applications: 456,154 (grants: 157,283)  
Design applications: 27,752 (grants: 24,063)

## Patent National Security Provisions

*Patent Law – Art. 20 - Where any Chinese entity or individual intends to file an application in a foreign country for a patent for invention-creation made in China, it or he shall file first an application for patent with the patent administration department under the State Council...*

Currently no foreign filing licence

Many foreign entities first file abroad (for an invention made in China), based on the working of other Art.s (e.g. 6, 8 and 10), and pre-assigning the invention abroad from the moment of its creation (dubious)

First filing can be a PCT filing in English with the SIPO

Proposed law changes close loopholes and introduce foreign filing licences

## Patent Application Process and Timeline

Application Filed	
Request Examination	- within 3 years of priority
Publication	- nominally around 18 months from priority or - 6 months from CN/PCT entry
Voluntary Amendments	- within 3 months of entering substantive examination
Actual Examination	- usually begins within 6 months to 2 years of request
Decision to Grant	- when every last “i” is dotted and “t” is crossed
Pay Grant Fees	- within 2 months of decision to grant
File Divisionals	- within 2 months of decision to grant
Grant	- within a few months of payment of grant fees
Annuities	- Annually (up to 20 years from filing, in total)

## Patent Formalities

Chinese translation of specification needed at filing date (2 month grace period available to CN/PCT). For CN/PCT must be translation of original PCT specification. Chinese translations for mainland China and Taiwan are different.

Excess claims fees for > 10 claims (number determined by original PCT filing and cannot be reduced [or increased] at national phase entry).

SIPO requires original documents, certified copies from government bodies (e.g. priority documents, name changes) or documents that have been notarised and legalised by the Chinese embassy. China is not a signatory to the Hague Apostille Convention.

Form PCT/IB/306 will not suffice in itself but then only a notarised copy of an assignment is needed.

## Patent Examination Request

### *Article 36 (1)*

- *When the applicant for a patent for invention requests examination as to substance, he or it shall furnish pre-filing date reference materials concerning the invention.*

One-off requirement

No apparent penalty for failure to comply

## Patent Voluntary Amendments

e.g. broadening an independent claim, adding a new independent claim, adding new claims to a product or process type not previously claimed

### Limited Opportunities

- filing
- with examination request
- within 3 months of entering substantive examination

Otherwise, amendments limited to responses to examiner's objections

## Patentability

Novelty – publication anywhere in the world is novelty destroying but public use is only novelty destroying if it takes place in mainland China (expected to change)

Inventiveness (i) invention has prominent substantive features and represents a notable progress; (ii) utility model has substantive features and represents progress.

- problem/solution approach works well

Practical applicability - made or used in industry

## Patentability Exclusions

### Patent Law

*Art. 5 - Inventions contrary to the laws of the State or social morality or that are detrimental to public interest.*

### *Art. 25*

- 1. scientific discoveries;*
- 2. rules and methods for mental activities (includes computer programs and business methods);*
- 3. methods for the diagnosis or for the treatment of diseases (includes surgery – whether for diseases or otherwise);*
- 4. animal and plant varieties;*
- 5. substances obtained by means of nuclear transformation.*

### Patent Regulations

*Art. 2(1) - "Invention" in the Patent Law means any new technical solution relating to a product, a process or improvement thereof.*

## Patent Support & Sufficiency

Often mixed up (both are in Art. 26)

The SIPO's favourite objection

- *“based on the disclosure the skilled person could not anticipate that the invention would work across the entire scope as claimed”*

For chemical products, experimental data **essential** if skilled person could not predict the use and/or effect of invention from the prior art, and must support the entire range.

Examples, examples, examples ... (post-filing examples cannot be added or used as evidence)

“Means plus function” claims for software and/or hardware embodied inventions require block diagram or flowchart. If only flowchart is present, “means plus function” claims should use same steps and is limited in scope to the invention being embodied by way of new software, not hardware.

## Added Subject Matter

### Art.33

- *“the amendment to the application for a patent for invention or utility model may not go beyond the scope of the disclosure contained in the initial description and claims”*

Interpreted very strictly: amendments are only allowed if directly and unambiguously derived from the original specification

Generally, you cannot take features from the drawings which do not have separate basis in the description.

## Patent Re-Examination

Re-examination available if application refused by (primary) examiner

Re-examination is conducted by the Patent Re-examination Board (PRB) of the SIPO

Separate, more senior board of examiners, not including primary examiner

Generally takes a more pragmatic view

No voluntary amendments allowed – only amendments that address the primary examiner's objections

Can raise new grounds of objection

## Patent Invalidation

No Opposition

Third Party Observations can be filed – but do not become party in any way (and cannot see the examination portion of the file until after grant)

Anyone may request invalidation on the grounds of:

*Lacks novelty, inventiveness or usefulness; description not clear and complete; claims not supported; added subject matter; not a new technical solution; double patenting; claims not clear and concise; claims do not outline the technical solution or lack some essential technical features; excluded subject matter or contrary to morality.*

Only way to make amendments post-grant

Decided by the re-examination board, even during litigation before a court

Limited amendments allowed

## Utility Models

Very similar to Invention patents

Must have novelty, inventiveness & usefulness

Inventiveness = possesses substantive distinguishing features and represents an improvement (c.f. invention patent – has prominent substantive and distinguishing features and represents a marked improvement)

Only shape & structure of products protected (not methods or chemicals)

Only one independent claim

10 year term

Search report required before litigation

## Utility Model Application Process and Timeline

Application Filed	
Publication	- nominally around 18 months from priority or - 6 months from CN/PCT entry
Voluntary Amendments	- within 3 months of filing
Actual Examination	- usually begins within 6 months to 1 year of filing
Decision to Grant	- when every last “i” is dotted and “t” is crossed
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## Designs

"Design" - any new design of shape, pattern or their combination, or combination of colour with shape or pattern, of a **product**, which creates an aesthetic feeling and is fit for industrial application.

Novelty - not identical with nor similar to any design which was prior published anywhere in the world or prior publicly used in mainland China.

A “product” is akin to an “article” under the old UK law - having a commercial life of its own.

Design drawings should not include broken lines or shading

Only one embodiment per application (except sets)

## Design Application Process and Timeline

Application Filed	
Voluntary Amendments	- within 3 months of filing
Actual Examination	- usually begins within 6 months to 1 year of filing
Decision to Grant	- when drawings are acceptable
Pay Grant Fees	- within 2 months of decision to grant
File Divisionals	- within 2 months of decision to grant
Grant	- within a few months of payment of grant fees
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