

The patent application process explained

Patent protection is a basic necessity for doing business in China. Rights holders should thus familiarise themselves with the patent application process

By Crystal J Chen, Eric C K Hsieh and Sylvester W L Hsieh, Tsai, Lee & Chen

The importance of the Chinese market is universally acknowledged. Protecting IP rights, including patent rights, has become a basic necessity for doing business in China.

Types of patent

Inventions, utility models and designs are the three categories of patent protection available in China. An applicant may apply for an invention patent to protect an innovative technical solution for an article or process, or an improvement to an article or process. A utility model patent protects any useful and new technical solution to the shape or structure of an article, or a combination thereof. A design patent protects novel designs that are industrially applicable with respect to the shape, pattern or colour of an article, or a combination thereof.

Preliminary examination

Once a patent application has been filed, it enters the preliminary examination stage. Patent applications under preliminary examination undergo a formality check by the State Intellectual Property Office (SIPO). At this stage, an examiner checks whether the application contains any obvious and substantial flaws or defects, including whether the subject of innovation can be deemed patentable subject matter. The examiner will also determine whether the filing formality

requirements have been met.

Applications that conform to the Patent Law and its implementing regulations with no obvious and substantial flaws, and applications that have been made to conform to such law and regulations by filing documents in response to official requests resulting from preliminary examination, are deemed to have passed preliminary examination.

At this stage, no patentability issues are considered for invention patent applications. An application that has passed preliminary examination is issued a 'preliminary examination qualified' notification by the examiner. The application subsequently proceeds to the publication stage.

In contrast to an invention patent examination, the examination of utility model applications is such that any obvious and substantial flaws with respect to novelty or practical applicability may be grounds for refusal at the preliminary examination stage, although no inventiveness requirement is examined.

A design that is found to be obviously identical to a prior art reference is deemed obviously and substantially flawed and the application will be refused.

Once a utility model or design patent application has passed the formality examination stage with no finding of an obvious or substantial flaw, SIPO issues a grant decision on the application and a letters-patent and publishes the grant patent accordingly.

Utility model and design patent applications can be granted much faster than invention patents as a result of non-substantive examination. Consequently, in recent years filings of such applications have increased. However, in response to the relatively high number of low-quality utility

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models and designs, SIPO intends to apply more stringent preliminary examination standards to utility model and design patent applications in future.

Publication of invention patents

Article 34 of the Patent Law requires that invention patent applications which have passed preliminary examination be promptly published within 18 months of the date of the application (or the earliest priority date where priority is claimed). An applicant may request early publication and may subsequently withdraw an early publication request before the publication process commences.

Substantive examination for inventions

Applicants for an invention patent may request that SIPO conduct substantive examination of the application at any time within three years of the application date (or the earliest priority date where priority is claimed). Applications for which such a request is not made within the prescribed time limit and without justifiable cause will be deemed to have been withdrawn.

Voluntary amendments

Under Chinese patent practice, applicants that wish to make voluntary amendments to their invention applications may do so only at the following times:

- when filing a request for substantive examination; or
- within three months of receipt of official notification of entering into the substantive examination stage.

No voluntary amendments can otherwise be made to an application.

Article 33 of the Patent Law restricts amendments to an invention or utility model patent application that go beyond the scope of the original description and claims. The patent examination guidelines define the scope of the original description and claims of the patent right to include disclosure contained in the original description and claims. Such disclosure must be directly and unambiguously confirmed and derived from the original written description and claims and drawings attached to the description. However, it is unclear what information can be directly and unambiguously confirmed from the original disclosure without any doubt by a person who is skilled in the art. SIPO is therefore strict regarding the examination of amendments to a patent application. In practice, any amendment that cannot be explicitly supported by a corresponding verbatim written disclosure in the original description will be rejected. In other words, even though an implied meaning may be derived from the original patent description, an amendment that reflects such an implied meaning may not be supported verbatim by the original disclosure of the application; therefore, such an amendment may be rejected by SIPO on the grounds that it goes beyond the original scope of the patent application.

Office action at substantive examination stage

During substantive examination, SIPO examiners usually notify the applicant about their opinions in an office action and designate a time limit

for receiving a response from the applicant. The applicant has four months to respond to the first office action and two months to respond to the second and each subsequent office action, if any.

A response may constitute a statement of opinions and may be accompanied by an amendment of patent description. If an amendment is to be made in responding to an office action, it can address only the problem identified in the office action. Any other voluntary amendment at this stage will be deemed a violation of Article 51.3 of the implementing rules, pursuant to Article 33 of the Patent Law, and will be rejected by the examiners.

Re-examination requests

Applicants that are dissatisfied with a rejection decision by SIPO may file a request for re-examination with SIPO's Patent Re-examination Board within three months of receipt of the rejection notice.

On acceptance of the re-examination request, the board will forward the applicant's request to the original examiner. If the original examiner agrees with the applicant's request and withdraws his or her original decision, the board will render its decision accordingly and notify the applicant of the withdrawal of the rejection decision. However, if the original examiner maintains his or her rejection opinion after reviewing the request, the board will subsequently conduct re-examination and issue an office action if it believes that the request does not conform to the Patent Law. The applicant will be given a period of time in which to file a response before the board makes its final decision.

At the re-examination stage, it usually takes less than six months to receive an office action from the board.

The board has the authority to revoke an examination decision rendered by SIPO. SIPO will issue either a decision of patent grant or a rejection on new grounds.

A re-examination decision can be appealed before the Beijing First Intermediate Court within three months of receipt of the decision.

Grant of patent

Invention patent applications that have passed substantive examination with no finding of

grounds for refusal are issued a notification of patent grant by SIPO. Applicants must conduct a registration of right and pay registration and annuity fees within two months of receipt of the notification. SIPO subsequently publishes the granted patent right and issues a letters-patent. Failure to register within the time limit will result in loss of the patent right and the patent will be deemed abandoned. However, there is a two-month restoration period from receipt of an abandonment notification; if registration and payment are fulfilled during this period, the lost patent right may be restored.

Confidentiality examination proceedings

Article 20 of the Patent Law prescribes that any party that intends to file an invention or utility model application in a foreign country for an invention that was created in China must report in advance to SIPO for a confidentiality review. The purpose of the review is to screen any invention that is of vital interest to the state or that involves national security.

In the event that the reporting obligation before filing abroad is violated and a patent application is subsequently filed in China, SIPO will not grant the application. Even if SIPO finds no violation of Article 20 when examining the patent application and grants the patent right, the patent right will be invalidated on the ground of violation of Article 20.

There are three ways to request a confidentiality review:

- File a review request with SIPO first and obtain approval before directly filing a patent application in a foreign country – the applicant can file the application abroad only after it has been approved by SIPO;
- File a patent application in China with a request for a confidentiality review; or
- File a Patent Cooperation Treaty (PCT) international application in China.

Under the patent examination guidelines, the timeframe for a confidentiality review is four or six months from filing of the request for review. This process is divided into two stages:

- The first stage is a four-month period, during which a preliminary review will be conducted to ascertain whether the invention is of national security concern

in China. If the invention is deemed confidential, by no later than the end of the four-month period, the applicant will receive notification from SIPO stating that a further confidentiality review may be conducted, in which case filing of the foreign application must be postponed. If no notification is received from SIPO by the end of the four-month period, the applicant may proceed with the foreign filing.

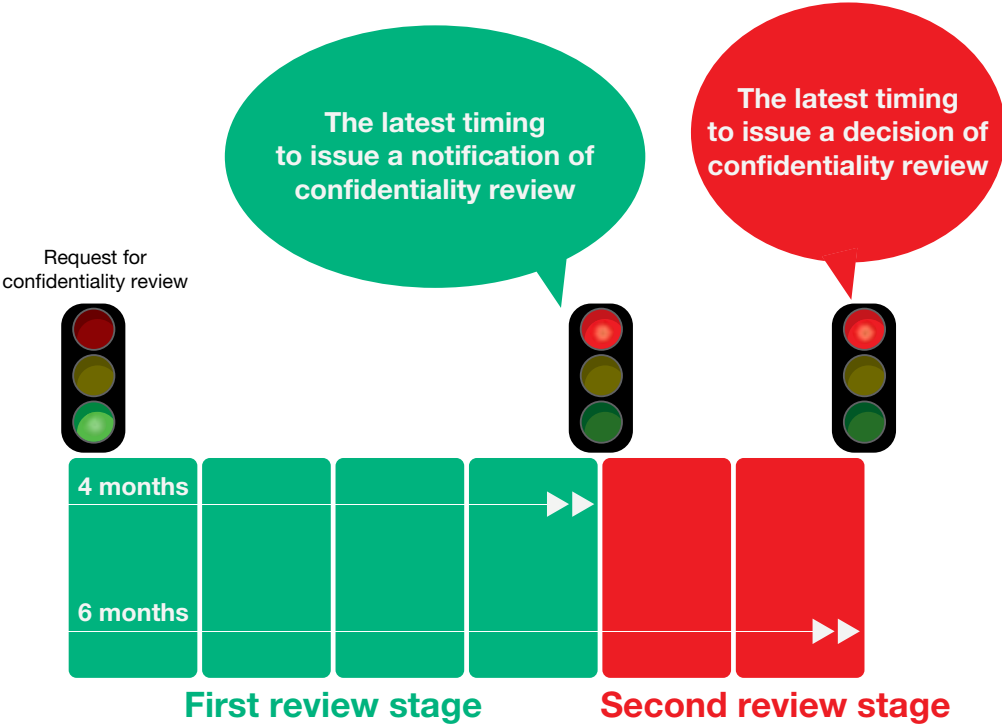
- If notification from SIPO is received stating that the invention is deemed confidential, it will enter into the second stage of review. The review period will be automatically extended to six months from filing of the request for a confidentiality review. SIPO will issue a final decision on the matter by no later than the end of the six-month period. If no final decision is received from SIPO by the end of the six-month period, the applicant may proceed with its foreign application.

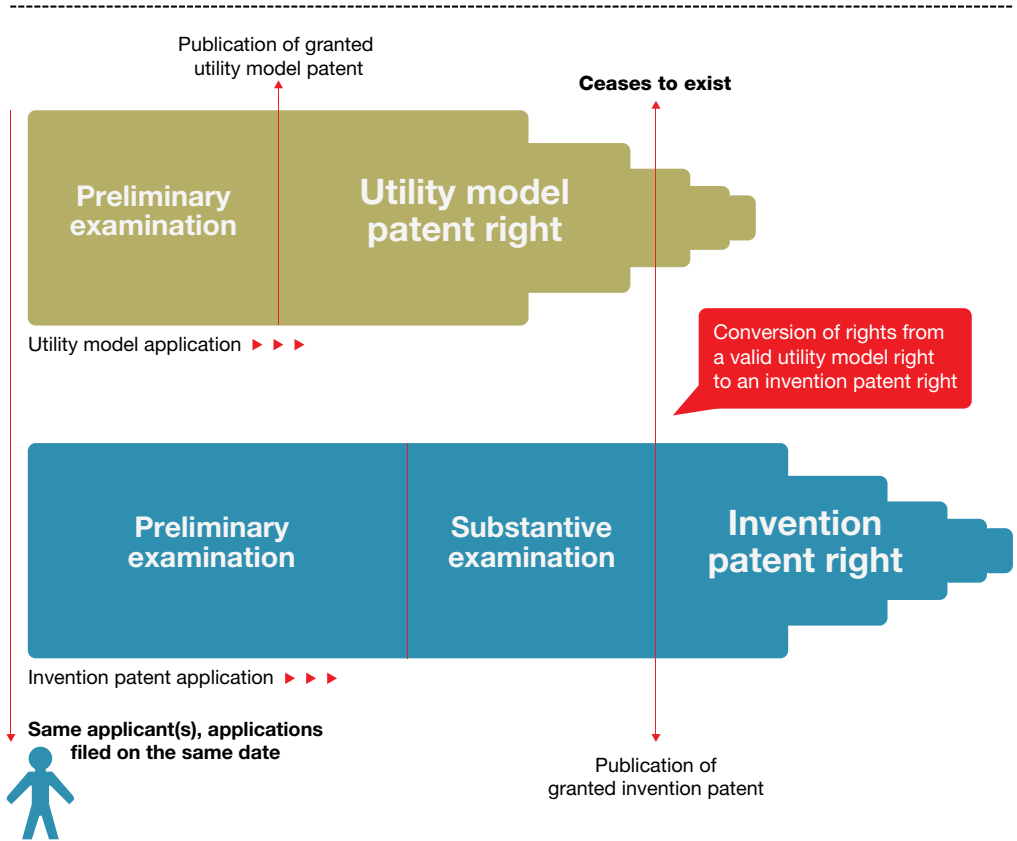
In practice, the first stage of the review is quick and rarely exceeds the four-month period. SIPO may even issue an approval or refusal notification on the same day as the request for a confidentiality review is filed.

Combined invention and utility model applications

In China, given that the threshold for inventive step is relatively low for utility models, a utility model application enjoys the benefit of a simple examination procedure; patent rights are often granted within six to eight months or even sooner. As a result, domestic patent applicants have long favoured filing utility models over invention patents. In contrast, due to unfamiliarity with this type of patent protection, a high percentage of foreign applicants still pursue invention patents rather than utility models.

Under the Patent Law, applicants are permitted to claim both invention and utility





model patents for the same invention. This allows an invention to be protected as a utility model patent if it meets the requirements of preliminary examination; once SIPO grants the invention application for the same invention, the rights holder may opt to abandon the utility model patent right and convert it into an invention patent right. By doing so, the rights holder will continue to enjoy exclusive patent rights for the same invention. Even if the invention patent is not granted, the rights holder may retain the utility model patent.

The criteria for this procedure include the following:

- One invention application and one utility model application must be filed;
- The same applicant(s) must file the applications on the same filing date;
- A declaration must accompany each application at the filing stage stating that

the application is for two patent rights relating to one invention; and

- The utility model patent must be valid at the time that an invention patent is to be granted, and the applicant must declare its abandonment of the utility model patent within a specific time period before the invention patent is granted.

On publication of the granted invention patent, the utility model patent will cease to exist.

PCT applications entering the Chinese national phase

Applicants that file a PCT application and wish to enter the Chinese national phase must do so within 30 months of the earliest priority date. In China, the 30-month timeframe may be extended to 32 months by paying a restoration

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fee; therefore, PCT applicants may obtain an additional two-month grace period to enter the Chinese national phase.

For applications that enter the Chinese national phase before the 30-month window expires, SIPO will commence handling such applications after the expiration of the 30-month period. Early examination of a PCT application entering into China will be conducted on receipt of a written statement of opinions from the applicants.

A Chinese translation of the corresponding PCT international publication must be submitted with the PCT application when entering the Chinese national phase. The number of claims in the PCT international publication form the basis for the calculation of official fees in China, despite the fact that the number of claims may be reduced when entering the national phase due to amendment of the claims under Article 28 or 41 of the Patent Cooperation Treaty.

According to the PCT, if an applicant omits certain items or portions when filing an international application, it may file a request to incorporate such items or portions by means of ‘incorporation by reference’ without affecting the PCT filing date. However, SIPO does not recognise such a rule under the PCT; therefore, applicants that intend to incorporate missing items or portions into an application by reference must give up the PCT filing date and re-designate the filing date in China as the date of requesting incorporation by reference. However, it would be risky to abandon the original PCT filing date at this

point, as the application may also lose its priority date under the Paris Convention if the 12-month grace period for a priority claim has lapsed at the time when the application is entered in China. 

Tsai, Lee & Chen

11th Floor, 148 Songjiang Road, Taipei 104

Taiwan, Republic of China

Tel +886 2 2571 0150

Fax +886 2 2562 9103

Web www.tsailee.com



Crystal J Chen

Partner

cjchen@tsailee.com.tw

Crystal Chen is a partner at Tsai Lee & Chen. She is admitted to the National Bar of China and the New York State Bar.

Ms Chen commenced practising in the IP field in 1996. She counsels on patent and trademark prosecution and enforcement and cross-border dispute resolution in Taiwan and China, and has advised extensively on the risks of patent protection and infringement opinions, as well as litigation and settlement negotiation. She is a prolific writer and speaker, and constantly provides clients with updates on IP law and prosecution and enforcement practices relating to Taiwan and China.

Ms Chen has an LLB from the Fu-Jen Catholic University School of Law, Taiwan and an LLM in intellectual property from the University of New Hampshire School of Law (formerly the Franklin Pierce Law Centre).



Eric C K Hsieh

Patent attorney

patent@tsailee.com.tw

Eric Hsieh is a patent attorney in China and deputy manager of Tsai Lee & Chen's domestic patent division based in Taipei, Taiwan.

Mr Hsieh counsels numerous domestic companies on patent applications and prosecution for Taiwan and China and provides invalidation and freedom-to-operate opinions in China. He qualified as a Chinese patent attorney in 2011.

Mr Hsieh has a master's in mechanical engineering from National Chiao-Tung University, Taiwan. He has extensive experience in assisting the automotive and semiconductor industries and is particularly knowledgeable on ultrasonic equipment, digital image processing and quality management systems.



Sylvester W L Hsieh

Senior patent engineer

info@tsailee.com.tw

Sylvester Hsieh is a senior patent engineer at Tsai Lee & Chen and heads the electronics and mechanics section of the firm's international division in Taipei, Taiwan.

Before joining Tsai Lee & Chen, Mr Hsieh worked at United Microelectronics Corporation on computer repair/maintenance engineering, and was an assistant teacher on the digital logic course at National Taiwan Ocean University. Mr Hsieh has been practising Taiwan and China patent prosecution since 2004. He has extensive experience in providing international clients with strategies on the prosecution of Chinese patent applications. He is particularly knowledgeable on high-tech areas, including circuit designs, semiconductors, communications and computer software.