

## 8.2 Application for Patent in China

Patent applications are subject to examination and approval in China in accordance with its *Patent Law* and the *Implementing Regulations of the Patent Law*. For invention patents, early announcement of the application can be made upon request. For utility model and design patents, examination is only carried out as a kind of formality.

The State Intellectual Property Office is responsible for patent work nationwide. It handles and examines patent applications and grants patent rights in accordance with the law. Patent offices under the governments of provinces, autonomous regions and municipalities directly under the central government are responsible for patent administration work in their respective areas as well as handling matters involving foreign-related patents. They are also responsible for patent enforcement, settling patent disputes, as well as investigating and penalising patent infringement acts.

FIEs applying for patents may either submit their applications direct or appoint designated patent agents. Due to the technical complexity involved in patent application, FIEs are advised to appoint designated agents in order to better protect their rights. Foreign enterprises applying for patents in China should appoint those agents authorised by the State Intellectual Property Office to deal with foreign applications.

### 8.2.1 Points to Note in Application for Patent

Documents to be submitted for patent application must be in the Chinese language.

Where there are more than two applicants and no patent agent is appointed, the first applicant designated in the application should be the representative unless otherwise stated in the application,

Application for a patent for invention or utility model should be limited to one invention or utility model. Two or more inventions or utility models belonging to a single general inventive concept may be filed as one application.

Application for a patent for design should be limited to one design incorporated in one product. Two or more designs which are incorporated in products belonging to the same class and are sold or used in sets may be filed as one application.

## 8.2.2 Procedures for Patent Application and Documents Required

### (a) Patent Application and Documents Required

When a patent application is filed, the applicant should submit the documents as required for the type of patent concerned. If a patent agent is appointed to handle the application, an authorisation letter is also required.

- Documents required for application for patent for invention or utility model (in duplicate copies):
  - A letter of request – stating the title of the invention or utility model, the name of the inventor or creator, the name and address of the applicant, and other related information.
  - A description and its abstract – setting forth the invention or utility model in a manner sufficiently clear and complete so as to enable a person skilled in the relevant field of technology to carry it out; where necessary, drawings are required. The abstract should state briefly the main technical points of the invention or utility model.
  - Claims – these should be supported by the description and should state the extent of the patent protection asked for. If several types of protection are being claimed, they should be numbered in serial in Arabic numerals. Chemical and mathematical formulae may be included but illustrations are not allowed. The claims should contain independent claims and may also include subordinated claims.

- Documents required for application for patent for design (in duplicate copies):
  - A letter of request – stating the product incorporating the design and the class to which that product belongs.
  - Drawings or photographs of the design – the size should be no smaller than 3 cm x 8 cm and no larger than 15 cm x 22 cm.
  - A brief description of the design.
  - A prototype or model of the product incorporating the design, where necessary.

(b) Approval Procedures

- Approval of patent for invention – after the Intellectual Property Office receives an application for a patent for invention and finds it to be in conformity with the requirements of the law upon preliminary examination, it will publish the application after 18 months from the date of filing. Upon the request of the applicant, the Intellectual Property Office may publish the application earlier. Upon the request of the applicant for a patent for invention, made at any time within three years from the date of filing, the Intellectual Property Office will proceed to examine the application as to substance. If, without any justified reason, the applicant fails to meet the time limit for requesting examination as to substance, the application will be deemed to have been withdrawn. The Intellectual Property Office may, on its own initiative, proceed to examine any application for a patent for invention as to substance when deemed necessary.
- If no cause for rejection of the application for a patent for invention is found after examination as to substance, the Intellectual Property Office will make a decision to grant the patent right for invention, issue the certificate of patent for invention, and register and publish

it. The patent right for invention comes into effect on the date of the publication.

- Approval of patent for utility model and design – if no cause for rejection of the application for a patent for utility model or design is found after preliminary examination, the Intellectual Property Office will make a decision to grant the patent right for utility model or the patent right for design, issue the relevant patent certificate, and register and publish it. The patent right for utility model or design comes into effect on the date of the publication.

### 8.2.3 Assignment and Transfer of Patent Application Right and Patent

Patents and the right to apply for a patent are assignable. Any assignment of patents or patent application right by a Chinese entity or individual to a foreigner is subject to the joint approval of the State Council's foreign trade and economic cooperation department and science and technology administration department. If a patent is transferred for other reasons, the party concerned should complete the procedures for the change of patentee with the State Council's patent administration department by presenting the relevant supporting documents or legal documentation.

### 8.2.4 Exploitation of Patent

The patentee may make the patented product or use the patented process, or he may authorise another person to make the patented product or use the patented process. The licensing of patent rights to other parties can take the form of voluntary licensing or compulsory licensing.

#### (a) Voluntary Licence for Exploitation of Patent

On the basis of voluntary negotiation, a patentee (licensor) may sign a licensing contract with another party (licensee) for the conditional exploitation of the patent by the licensee for a fee within a prescribed scope, duration and geographic location.

The licensing contract signed by both parties should be in written form and filed with the Intellectual Property Office within three months from the date of signing.

(b) Compulsory Licence for Exploitation of Patent

The Intellectual Property Office may grant a compulsory licence to exploit a patent under the following three circumstances:

- Where an entity which is qualified to exploit the invention or utility model has made requests for authorisation from the patentee of an invention or utility model to exploit his patent on reasonable terms and such efforts have not been successful within three years after the grant of the patent right, the Intellectual Property Office may, upon the application of that entity, grant a compulsory licence to exploit the patent for invention or utility model.
- Where a national emergency or an extraordinary state of affairs occurs, or where the public interest so requires, the Intellectual Property Office may grant a compulsory licence to exploit the patent for invention or utility model.
- Where the invention or utility model for which the patent right is granted is technically more advanced than another invention or utility model for which a patent right has been granted earlier and the exploitation of the later invention or utility model depends on the exploitation of the earlier invention or utility model, the Intellectual Property Office may, upon the request of the later patentee, grant a compulsory licence to exploit the earlier invention or utility model. By the same token, the Intellectual Property Office may, upon the request of the earlier patentee, also grant a compulsory licence to exploit the later invention or utility model.
- The entity or individual that is granted a compulsory licence for exploitation does not have an exclusive right to exploit and does not have the right to authorise exploitation by any other parties.

- The entity or individual that is granted a compulsory licence for exploitation should pay to the patentee a reasonable exploitation fee, the amount of which will be fixed by both parties in consultation. If the parties fail to reach an agreement, the Intellectual Property Office will adjudicate.
- If the patentee is not satisfied with the decision of the Intellectual Property Office granting a compulsory licence for exploitation, or if the patentee or the entity or individual that is granted the compulsory licence is not satisfied with the adjudication made by the Intellectual Property Office regarding the exploitation fee payable for exploitation, he may, within three months from the receipt of the notification, institute legal proceedings in the people's court.

#### 8.2.5 Duration of Patent Right

The duration of patent right for inventions is 20 years, and the duration of patent right for utility models and designs is 10 years, counted from the date of filing of the patent application.