

CHINA - INVENTION PATENTS V. UTILITY MODEL PATENTS

Chinese Invention Patents last for 20 years from the filing date and provide protection for technical solutions relating to an apparatus or methods. Invention Patents must have prominent substantive features that represent "notable progress" over the prior art, whereas utility model patents require substantive features that represent "progress." Invention Patents can take three years on average to obtain a grant but only after the application receives a favorable patentability evaluation from the State Intellectual Property Office (SIPO). An application for an Invention Patent is published 18 months from the date of filing. A request for early publication is permissible and can be performed at no additional cost. Early publication can be used as published prior art to deter others from filing a similar application. However, early publication can also assist others to determine if they can "patent around" the disclosed invention.

An Invention Patent Application is published 18 months after its filing date or the earliest priority date. However, applicants for invention patents may request earlier publication when filing the application at no additional cost. If such a request is filed, the patent application will be published as soon as it passes the preliminary examination phase, which may be as early as 2 months from the filing date. Early publication of a patent application may be beneficial to the Applicant, especially where the product to be protected is close to launch and ready to go public, as it may serve as prior art to block competitors from seeking to patent similar ideas. It may also afford the Applicant a provisional patent right to license its technology to other parties. However, it is generally not advisable to publish early if the relevant product is still far from being market ready, as this would allow others to potentially find ways to work around the design, or even copy, the product.

Chinese Utility Model Patents last 10 years from the filing date and protect structural, physical and shape features of products. Utility Model Patents must have substantive features that represent "progress," whereas Invention Patents must have prominent substantive features that represent "notable progress" over the prior art. The standard for Utility Model Patent inventiveness is lower than that for Invention Patents. Utility Model Patents require only a formality examination and are typically granted between six and twelve months after filing.

Simultaneous filing of a request for an Invention Patent and Utility Model Patent is permissible. This will allow for early

protection as the Utility Model Patent typically issues in less than twelve months. Once the Invention Patent is granted, the Utility Model Patent will have to be abandoned. The costs of drafting and preparing applications for both Invention Patents and Utility Model Patents relating to the same invention are the same as the formality requirements for the applications are the same. However, since there is no substantive examination procedure of the Utility Model Patent, the cost of prosecuting the application is lower than an Invention Patent.

The Chinese SIPO has a Patent Prosecution Highway (PPH) pilot program similar to the United States. Most applicants that use the PPH to expedite examination of a Chinese patent application base their request on the favorable results of a corresponding application filed with another patent office of earlier examination. This may be either a Patent Cooperation Treaty (PCT) application or a foreign national patent application. In such instances, the claims of the Invention Patent will likely be the same as those of the corresponding application. A first official action for a PPH patent application may be issued 12 months earlier than for a patent application filed with the PPH. In addition, only one official action is normally issued, compared to the multiple office actions found in a non-expedited application. A PPH Application can be filed from either a national application or a PCT Application. A request to participate in the PPH may be made after the application has been published, but before SIPO issues a first office action. All pending claims in the Chinese application must sufficiently correspond to the allowed claims in the original foreign application or be narrower in scope. Under a PCT PPH request, the positive written opinion or international preliminary examination report of the international searching authority is used to expedite examination of the Chinese application.

In China, the source or object code of a computer program can be protected by copyright, whereas the idea underlying the computer program can be protected by a patent if it is a technical solution. However, rules and methods involving merely mental activities are not patentable. Traditionally, business methods are not patentable subject matter because they involve merely mental activities in many cases. Inventions relating to business methods may be patentable if they also contain technical features, as is the case with certain new e-commerce technologies.

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