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Key Features of Patent and Utility Models Protection

Regional Seminar on the Legislative,
Economic and Policy Aspects of the Utility
Models Protection System, Kuala Lumpur
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Robust intellectual property rights delivered efficiently





Standard Patents

- Patents serve several roles:
 - They encourage innovation by granting limited exclusive rights to inventors
 - They encourage the dissemination of knowledge
 - They facilitate technology transfer, commercialisation and diffusion
- Generally the main requirements are that an invention must be:
 - patentable subject matter (in some countries a ‘manner of manufacture’)
 - novel
 - inventive (or non-obvious) and
 - industrially applicable (or useful).



- The term of a patent is generally 20 years (with possible extension in some countries for pharmaceutical substances)
- In most countries a standard application undergoes substantive examination prior to grant.
- Some countries provide for 3rd party opposition. For example, in Australia if the examiner has no grounds of objection to the patent they accept the case and it is advertised for 3rd party opposition prior to grant.
- Some countries also provide Design registrations that protect the shape of an article.



‘2nd tier’ IP protection

- Referred to in different countries as utility models, petty patents, innovation patents, short (term) patents.
- Are intended to provide protection for articles where the advance over the prior art is not as great as would be required for the grant of a full patent.
- Are distinct from other forms of protection over the shape or ornamental function of an article (Designs).
- Are particularly suited to industries where there are incremental advances in technology.
- Over 70 countries worldwide have some form of second tier patent system.



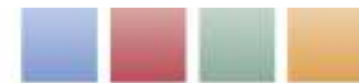
Features of 2nd tier systems

- Generally developed for the interests of local industry (individuals and small and medium enterprises - SMEs)
- May have lower requirements for inventiveness
- Generally a shorter term of protection
- Usually a quicker form of protection
- Lower cost
- May be no substantive examination prior to grant
- Generally a restricted number of claims
- Generally restricted technologies for which protection is granted
- In some countries may be converted to a standard patent under certain circumstances



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Country	Right	Maximum Term	Excluded Subject Matter	Lower inventive Threshold	Substantive Exam at Grant
Australia	Innovation Patent	8 years	Plants, animals, biological processes	Yes	No
China	Utility Model	10 years	Processes, products changed only by mere substitution of material	Yes	No
Japan	Utility Model	10 years	Methods, computer software, chemical compositions, plants, animals	No	No
Republic of Korea	Utility Model	10 years	Methods, processes, computer software, chemical compositions	Yes	Yes
Thailand	Petty Patent	6+2+2 years	None	Yes	No
Germany	Utility Model	3+3+2+2 years	Methods, processes, biotechnological inventions	No	No
Malaysia	Utility Innovation	10+5+5 years	None	Yes	Yes
Indonesia	Petty Patent	10 years	Methods, processes or uses	Yes	Yes
Taiwan	Utility Model	10 years	Any subject matter not relating to the form, construction or installation of an article	No	No
Hong Kong	Short-term Patent	8 years	None	No	No
Italy	Utility Model	5+5 years	Methods, powders, liquids, chemical or pharmaceutical compositions	Yes	No
France	Certificate of Utility	6 years	None	No	No
Vietnam	Utility Solution	10 years	None	Yes	Yes



2nd Tier Patent Protection in Australia

- Australia has experienced two different types of second-tier patent systems:
 - The petty patent system (1979-2000)
 - The innovation patent system (2001-present)



The Petty Patent System

- Primarily intended for Australian industry.
- Provided a form of protection for articles having a relatively short commercial life span.
- Less expensive, more quickly obtained than standard patents.
- Intended to provide an easier route to protection, but some argued that the costs of drafting and prosecution were as much as standard patents.



Features of the Petty Patent System

- Subject matter permitted was identical to standard patents.
- Whilst not intended by the legislation, petty patents underwent examination prior to grant.
- Given an initial 1 year term of protection from the date of sealing, with a maximum term of 6 years.
- Could be converted to a standard within certain time limits



- One claim only permitted (this was later changed to 1 independent claim and 2 dependent claims with the 1990 Act).
- 90% were granted within 3 months.
- No opposition prior to grant. This was intended to help speed up the grant process.
- During the first year 3rd parties could provide evidence of invalidity.
- Prior art base was limited to documents published in Australia



The Innovation Patent

- Reviews of the Petty Patent system through the 1980's and 1990's led to the development of the Innovation Patent system.
- One of the key features is that they have a lesser level of inventiveness in comparison to standard patents
 - the invention only differs from prior art in ways that make no substantive contribution to the working of the invention (referred to as innovative step).



Key Features of the Innovation Patent System

- Eight year term
- Maximum of 5 claims
- Substantive examination only on request of the applicant or a third party
- No opposition prior to grant
- Same prior art base as standard patents
- Lesser standard of inventiveness
- Excludes plants, animals and biological processes from protection
- Relatively low cost



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Thank you



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