

P a t e n t A p p l i c a t i o n G r a n t

Please note that this Q&A only provides a brief introduction to the Patent Application Grant. For the detailed eligibility criteria and the funding conditions of the Grant, please refer to the application form. Please contact the Hong Kong Productivity Council (Tel.: 2788 5958; Fax: 3187 4509) for any questions about this Q&A.

Q1: How to apply for the “Patent Application Grant”?

A1: Two copies of the duly completed application form and a crossed cheque of HK\$3,000 payable to “Hong Kong Productivity Council” are to be submitted to the Hong Kong Productivity Council (HKPC) or Innovation and Technology Commission (ITC). The application form can be downloaded at http://www.hkpc.org/images/stories/Industry_suport_service/COE/IPSC/pag_e.doc or www.itc.gov.hk/en/doc/download/pag_e.doc.

For individual applicant, the application form should be submitted together with one photocopy of HKID card.

For applicant company, the application form should be submitted together with one photocopy each of the Certificate of Incorporation, Business Registration Certificate and Incorporation Form (Form NNC1) or Annual Return (Form NAR1) filed with the Companies Registry.

Q2: Who are eligible to apply?

A2: All local companies, Hong Kong permanent residents or Hong Kong residents permitted to remain in Hong Kong for not less than seven years who have never owned any patents before will be eligible.

For individual applicant, the applicant must be the sole inventor or one of the joint inventors of the invention.

For company applicant, the inventor(s) of the invention shall be a directly related party/parties to the applicant company, e.g. owner, shareholder, director, or staff.

The Patent Application Grant (PAG) is a funding scheme to encourage first-time patent seekers that have never owned any patents before and have not received any funding from the PAG, to apply for patent registration. Applicant companies are required to provide information on their shareholder(s) with 50% or more ownership (the major shareholder(s)). Funding support will not be provided if PAG has been granted to the related companies of the applicant company (i.e. companies having the same major shareholder(s)).

Q3: If I have already filed a patent application in a particular country, am I still eligible to apply for this Grant?

A3: You can still apply for the Grant if you do not have any patents granted by any countries or territories when you apply for the Grant. However, the funds can be used only after your application has been approved by the Innovation and Technology Commission and are only released to the implementation agent through which the patent application is administrated.

Q4: Which is the implementation agent?

A4: The Hong Kong Productivity Council is the implementation agent of the Grant.

Q5: Do I need to pay any fees after my application of the “Patent Application Grant” has been approved by the Innovation and Technology Commission?

A5: Yes. A grant of not more than HK\$250,000 or 90% of the total cost of the patent application, whichever is lower, will be provided to each approved application. Once the implementation agent receives the bills arisen from patent applications, it will charge the government and the applicant (including the cost for the administration fees to be charged by the implementation agent). The government is responsible for 90% of the total cost or HK\$250,000, whichever is lower, and the applicant has to bear the remaining balance.

Q6: Does the grant only cover the costs for Hong Kong patent applications?

A6: No. The grant can be used in applying for patents in or outside Hong Kong. However, a grant of not more than HK\$250,000 or 90% of the total cost of patent application, whichever is lower, will only be provided to each approved application.

Q7: What will be the chance for success for this “Patent Application Grant”?

A7: Generally, we will conduct patent searches and technical assessments for applicants but the chance of success depends on the quality of invention and the search and assessment results. Since the launching of the Grant in 1998, around half of the applications are successful.

Q8: What is the requirement for the invention to be funded by the PAG?

A8: Not all inventions will be funded by the PAG. Only inventions that ITC considers as containing technology elements and susceptible of industrial application would be supported by the PAG.

Q9: What are the details of the procedures of the application?

A9: All applications received will be treated in the strictest confidence by the implementation agent. The procedures are as follows:

1. Receive application form and the cheque of deposit for patent search-cum-technical assessment (HK\$3,000)
2. Assess the accuracy of the information in the application form
3. Identify if the information is sufficient to start the patent search-cum-technical assessment
4. Determine if the invention has sufficient novelty
5. Conduct patent search-cum-technical assessment
6. Conduct assignee search
7. Recommend to the Innovation and Technology Commission to approve or reject the application (the decision of the Commission is final)

Q10: How much does patent search-cum-technical assessment cost?

A10: The cost of patent search-cum-technical assessment depends on the complexity of invention. According to our past experience, patent searches and technical assessments normally could be completed within the range of HK\$5,500 to HK\$11,000. The cost may be higher if third party advice (normally from a patent agent/attorney) is required to assess the patentability of the invention. The cost of a typical third party advice report is from HK\$4,500.

Q11: What is patent search-cum-technical assessment?

Q11: The purpose of conducting the patent search-cum-technical assessment is to assess whether the invention is of novelty, inventiveness and industrial applicability, and to check from patent databases covering worldwide published patents or applications of more than 48 countries to identify any prior published patents or applications which are analogous to your invention so as to assess whether the invention has a reasonable chance to obtain an invention patent.

We will conduct the patent search-cum-technical assessment upon receipt of a duly completed application form, the deposit and the advance payment, if applicable, from the applicant. A patent search will be done first and then an assignee search will be conducted to identify if applicants are eligible to apply for the grant (i.e. the applicant did not own any granted patents prior to submission of the PAG application form). The total cost of the patent search-cum-technical assessment will depend on the complexity of the search and assessment and on whether a third party advice (normally from a patent agent/patent attorney) is required. Normally, the cost of patent search-cum-assessment without any third party advice will not exceed HK\$11,000. If the result of patent search by a patent office indicates that the chance of the invention to obtain an invention patent is slight, the applicant may provide a written response to delineate the distinctive features of the invention from those disclosed in the prior art documents in the patent search report, so as to obtain the third party professional advice on whether the invention has a reasonable chance to obtain an invention patent based on the distinction provided. If the third party professional advice is in line with/similar to the result of the patent search report, i.e. the chance of the invention to obtain an invention patent is slight, the applicant may consider obtaining another and also the final professional advice from another patent agent/attorney on whether the subject invention has a reasonable chance to obtain an invention patent. Please note that the applicant cannot use the initial deposit of HK\$3,000 to offset the charge for the third party advice. Based on our experiences, the cost of a typical third party advice report is from HK\$4,500, and the cost of obtaining such advice shall be borne by the applicant in advance.

According to our experiences, the search fee may sometimes exceed HK\$11,000. In such case, the patent search-cum-technical assessment will only be continued after the applicant is informed and his consent is obtained. The total cost of the patent search-cum-technical assessment shall be paid in advance by the applicant, 90% of which will be reimbursed from the PAG grant if and after the application is approved. However, if such PAG application is not approved by ITC, the applicant has to bear the total cost of the patent search-cum-technical assessment.

To better assist a patent office to obtain accurate patent search result(s), the applicant should fully state the scope sought for patent protection in the “Intended scope of claims” under Part III Item 3 of the PAG application form. It should be drafted in such a manner that it defines clearly and concisely the matter for which protection is sought in terms of the technical features of the invention. Please refer to the links at footnotes 1, 2, 3 and 4 below for reference.

Q12: How would it be if the information provided is insufficient?

Q12: We will ask the applicant to provide further information. If no additional information could be provided, we will suggest the applicant to withdraw the application and the unused portion of the deposit (HK\$3,000) will be returned to the applicant.

Q13: How long is the processing time for the application?

Q13: The processing time depends on a number of factors, including the complexity of the inventions, and whether all the necessary information has been provided for processing the case. According to our experience, upon receipt of all the required information from the applicant, it may take about on average 4-6 months to know the outcome of the application.

Q14: How long is the validity of the “Patent Application Grant”?

Q14: The PAG grant is non-transferable and will be valid for **three** years from the date of approval of the application. ITC and/or the implementation agent may contact the applicant or any of the persons mentioned in Part I of the application form directly to enquire the progress/outcome of the registration of patent(s) funded by the PAG within two years after the expiry of the grant.

Reference :

¹ “中華人民共和國專利法實施細則 – 第二十一條” 中華人民共和國國家知識產權局 (2010)
[連結: http://www.sipo.gov.cn/zcfg/flfg/zl/fljxzfg/201001/t20100122_488461.html]

² “實用新型申請撰寫示例(說明書)第四頁-權利要求書(撰寫示例)”中華人民共和國國家知識產權局 (2009)
[連結: http://www.sipo.gov.cn/zlsqzn/sqq/sqwjzb/200804/t20080410_372677.html]

³ “Regulations under the PCT -Rule 6, The Claims, 6.3 (b)” World Intellectual Property Organization (2011)
[連結: http://www.wipo.int/pct/en/texts/rules/r6.htm#_6_3]

⁴ “PCT International Search and Preliminary Examination Guidelines, Chapter 5, Section 5.05 (page 37-38)” World Intellectual Property Organization (2004)
[連結: <http://www.wipo.int/pct/en/texts/gdlines.html>]

Fees and Charges of HKPC for Patent Application Grant Scheme**(1) Charges on patent search and technical assessment prior to funding approval by ITC**

Activities	Fee(s) Charged by External Agents	Fee(s) Charged by HKPC
Obtaining Search Report from SIPO	Approximately RMB1,600 for obtaining a search report based on invention written in Chinese, OR Approximately RMB4,100 for obtaining a search report based on invention written in English*.	HK\$900 for checking compliance of formality and clarity, liaising and discussing with SIPO officials regarding the subject invention.
Patentability Advice (This step may be required if the search report is not favourable)	From HK\$4,500 for preparing and writing the patentability advice by patent attorney/agent. The fee depends on the complexity of the subject invention, distinction of applicant's invention, and volume of relevant prior arts documents searched.	HK\$900 for liaising with patent attorneys/agents regarding the subject invention and applicant's distinction with the aim of enhancing the patentability.
Assignee Search	NA	The fee is between HK\$900 and HK\$1,200 depending on the variety of combinations of company or individual's name.
Assessment Report	NA	The fee is between HK\$2,000 and HK\$3,000 for preparing the assessment report for ITC's approval, depending on the volume of the documents involved.

Based on the above table, the cost for conducting patent search and technical assessment is approximately in the range of HK\$5,500 to HK\$11,000 depending on the complexity of the search and assessment. A higher fee may incur if the search report is not favourable and patentability advice is required from a patent attorney to assess the patentability of the invention. As a reference, the cost of a typical patentability advice report is from HK\$4,500. In such case, the total cost for patent search-cum-technical assessment may go up to around HK\$16,000.

(2) Administration fee (applicable after funding approval by ITC)

If an application is subsequently approved by the ITC, HKPC will charge an administration fee for the services provided after the approval of the application, which is approximately equal to 20% of the total cost involved in patent application(s). These services include advising applicants on patent strategies, checking of patent application in compliance of requirements, professional assessment of the clarity of technical descriptions on novelty and inventive steps, advising applicants on the patent application procedures, assisting the preparation of invention disclosure to patent attorneys for drafting patent specifications, liaising between inventors and patent attorneys for solving technical issues in drafting claims, facilitating applicants in filing response to examination report, monitoring patent application progress and expediting the applicants about the deadlines of the patent application steps imposed by the Patent Offices, and other administrative work of payment, accounting and reporting.

** Please note that other national Patent Offices, such as Swedish Patent and Registration can also provide patent search report based on English invention disclosures. A separate quotation could be provided upon request by applicants.*

PAG Application Procedure