



## CHINA SCIENCE PATENT & TRADEMARK US LLC.

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### Effective and Economic Patent Procurement in China

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The continued growth of the Chinese economy has brought an increasing focus on intellectual property protection in the country. Today, more and more foreign companies and individuals file Chinese patent applications as part of the intellectual property options available in China. In 2002, the number of U.S. applications filed in China exceeded ten thousand. In 2003, the figure increased to over twelve thousand.

In the meantime, Chinese Patent Law continues to undergo positive changes and to move toward International norms through amendments that update the enactment of the law in 1984. Today, the basic and principal requirements for patent applications in China are very similar to those in the majority of nations. Obviously, there remain certain details in the regulations and requirements that are unique to Chinese Patent Law. The following points reflect the author's view on how to prepare patent applications for Chinese filing in order to ensure the most effective and economic prosecution at national stage.

#### Choose the Appropriate Application Category

There are three types of patents in China: - invention, utility model and design patents. Invention type patents are similar to utility patents in the United States. Utility model patents refer to any new technical solutions referencing shape, structure, or a combination of these elements for a product fit for practical use. Therefore, a utility model patent can practically resemble a mini patent, an appropriate vehicle for those inventions that do not involve complicated technology, but instead deals primarily with small technological advancement.

The advantage in filing utility model application is that there is a low creativity requirement, a simplified prosecution procedure, and reduced prosecution costs. Under certain circumstances, you can file one application as an invention type and also as a utility model for the same innovation and at the same time. The utility model application normally issues first and renders a more immediate protection. Once the invention type application issues, the applicant can abandon the utility model patent to avoid double patenting and in order to end up with a longer period of protection. A utility model grants for 10 years from application date while the invention application grants for 20 years from application date.

#### Ensure the Application Subject Matter is Within Protected Scope

Currently, the scope of protection for patentable subject matter in China is not as broad as in the United States. Patentable subject matter in China has consistently moved toward internationalizing the process since the enactment of the Patent Law in 1984. One such example is the protection for pharmaceuticals not available in the past. Notwithstanding this step in the right direction, patentable subject matter in China is still somewhat limited, most notably in the areas of biotechnology, communications, and computer software.

China is now accepting new types of applications such as business methods, but the Chinese Patent Law still requires such invention to satisfy the substantive criteria of patent examination. This means a business method patent also needs to possess technical characteristics that are novel and creative.

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Therefore, before filing in China, an applicant is well advised to consider whether the subject matter is currently patentable in China. We will gladly provide you with our opinion on this point.

#### Conform to the Chinese Claiming Convention

Chinese Patent Law requires that each application can only have one independent claim for one type of claim. For example, if an application has claims dealing with a product, a method of preparation, and a method of use, then each type of claim can have only one independent claim. In the United States it is not unusual to see claim construction with more than one independent claim for a given type of claim subject matter. During substantive examination, an examiner will require such independent claims be amended to depend back to only one independent claim through an amendment.

In all other respects, multiple dependent claims are allowed in China, the claim fee being calculated per claim, without counting the multiple dependencies. For United States applications which are filed in China and which contain many individual dependent claims, an amendment to reduce the number of dependent claims into one multiple dependent claim will reduce considerably the extra claims fee.

#### Different Requirement for Novelty

In the United States, a patent can be filed within a grace period of one year of an applicant's disclosure of the subject matter to the public in general. China recognizes an absolute novelty requirement without any such grace period. If an applicant discloses an invention by publication or by offering a product embodying the invention for sale, such technology is deemed to be public knowledge. If an application is later filed, the application will be rejected for lack of novelty. Thus, it is very important to keep in mind the absolute novelty bar because there is no remedy available unless one can claim priority to a another application which has not been disclosed.

#### Utility Requirement in China

In China, the examination process starts with the examination as to the utility, then the novelty and creativity of the application subject matter. This means that if an application does not satisfy the utility requirement, the application would be rejected without consideration of novelty and creativity elements.

The utility requirement in Chinese Patent Law means that an invention can be made and used to produce effective results. As a rule, applications in the United States do not contain any specific language concerning the use of inventions as a result of the low threshold of utility requirement. The utility element of an invention is either embedded in the description or implied. However, examiners sometimes deem such description as insufficient. Therefore, for Chinese applications, applicants are better served to have some specific language about the utility of the invention at the beginning of an application.

#### Absence of Continuation Practice

There is no continuation practice in China. The law states that an applicant can amend an application, but the amendment has to be within the original scope of disclosure and it is thus similar to U.S. patent law. For design patents, an amendment cannot exceed the original disclosure of the drawings or photographs. No new matter can be added.

In China, an applicant must file a new application to cover an improvement based on an existing application instead of a continuation-in-part application as is possible in the United States. The parent application can be used as prior art in considering the patentability of the new application since the new filing will be substantially different from the parent. Therefore, an applicant needs to take into account the absence of the continuation practice when deciding strategies on how develop a patent family.

#### Examination Procedure

After SIPO (State Intellectual Property Office) receives an application, the application is set for publication 18 months from the date of filing. The Office can also publish an application earlier if so

requested. A Request for Examination must be filed by the applicant within three years from the filing date, ensuring payment of the examination fee is entered or the application is deemed to be abandoned. Therefore, and in order to speed up prosecution, an applicant should request early publication (which does not require cause) and file an early examination request soon after.

#### Special Requirement for Design Applications

- a. Each application can only contain one embodiment. Alternative representations of a particular design should not be incorporated unless you wish to file divisional applications or drop such representations.
- b. There is no protection for a part of a design; only whole designs are protected. Dash lines must be changed to solid lines.
- c. No shading lines are allowed.
- d. The protection of a design is defined with drawings representing six view, especially, the outline for the front and rear views and the outline for the left and right views which must be the same.
- e. In addition, the dimensions of the six views must be consistent throughout.
- f. The direction of the six views must be laid out in the same direction as the projection.

#### Special Requirement for PCT

- a. When entering the Chinese national phase, an applicant needs to choose the type of patent to be applied for, i.e. invention or utility model.
- b. Any applicant for an international application entering the Chinese national phase must complete formalities within 30 months. The national phase may be entered after the 30 month, by paying a surcharge for such late entry, and must complete these formalities before the expiration of the respective time limit which is 32 months from the priority date.
- c. Where an international application was initially filed in a language other than Chinese, the Chinese translation of the Description, Claims, Abstract and the text on the drawings shall be furnished at time of filing.
- d. Where an international application has been amended in the international phase, and the applicant requests examination to be based on the amended application, the applicant shall provide the Chinese translation of the amendments filed before completion of the preparations for national publication of the application by the Chinese Patent office (CPO). Where the Chinese translation of amendments is not furnished within the said time limit, CPO will not take into consideration of the amendments made in the international phase.

#### Choose Local Representatives

In China, not all agencies or law offices can represent foreign clients. There are now 58 firms that the Office has approved to represent foreign clients, including CSPTAL, which this year has become the largely private IP law firms in China.

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