

LCQ17: Patents and registered designs

Following is a written reply by the Secretary for Commerce and Economic Development, Mr Frederick Ma, to a question by the Hon Sin Chung-kai in the Legislative Council today (February 27):

Question:

Recently, some members of the public relayed to me that the provisions of the Patents Ordinance (Cap. 514) and the Registered Designs Ordinance (Cap. 522) failed to effectively deter acts of infringing on the intellectual property rights of inventors. In this connection, will the Government inform this Council:

- (a) of the respective numbers of complaints about infringements of patents and registered designs received by the government departments concerned in each of the past five years; and
- (b) whether it will reconsider criminalising such acts of infringement; if it will, of the details and the timetable; if not, the reasons for that?

Reply:

Madam President,

Patent and registered design infringement litigations are civil actions. The Patents Ordinance ("PO") provides that the proprietor of a patent may bring civil proceedings in the court to prevent any third party not having his consent from using (1) his invention directly and indirectly, and make relevant claims (2) in the proceedings. Similar provisions exist in the Registered Designs Ordinance ("RDO") to protect the right of the registered owner of registered design.

The regime in Hong Kong for the protection of intellectual property complies with the standards set out in the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement") of the World Trade Organization. In respect of patents and registered designs, the TRIPS Agreement does not require acts of infringement to be criminalised.

With regard to items (a) and (b) of the question, our reply is as follows:

(a) The Commerce and Economic Development Bureau (former Commerce, Industry and Technology Bureau) and the Intellectual Property Department received one complaint relating to suspected infringement of patents and five complaints relating to suspected infringement of registered designs in the past five years. A good number of complaints were also received from one citizen who complained about the lack of criminal sanctions in the PO and RDO for deterring acts of infringement.

(b) In considering whether criminal sanctions should be introduced in relation to a particular type of intellectual property, we have to take full account of the possible implications as well as the practicability in enforcement.

In patent and registered design infringement litigations, we note that, more often than not, the party being alleged of infringement would choose to challenge the validity of the patent or design concerned and make counter-claims against the plaintiff. The proceedings usually involve disputes over many issues of a technical nature. It is not always easy to ascertain whether an invention or a product infringes another person's patent or registered design. Criminal law should be clear and unambiguous to ensure that members of the public would not contravene the law inadvertently. There are likely to be enforcement difficulties if patent and registered design infringements are criminalised.

We have also examined the relevant legislative provisions of other common law jurisdictions, in respect of patent and registered design. In general, they do not criminalise acts of patent or registered design infringement.

For the foregoing reasons, we have no plans to criminalise acts of patent or registered design infringement. We will review the relevant ordinances from time to time thereby ensuring that the provisions meet the prevailing needs.

(1) In relation to a patented product, the acts of using in Hong Kong include making, putting on the market, using or importing the product.

(2) The claims may include seeking from the court:

- (i) an injunction restraining the defendant from any act of infringement;
- (ii) an order requiring the defendant to deliver up or destroy any patented product in relation to which the patent is infringed or any article in which the product is inextricably comprised;
- (iii) damages in respect of the infringement;
- (iv) an account of the profits derived by the defendant from the

infringement; or

(v) a declaration that the patent is valid and has been infringed by the defendant.

Ends/Wednesday, February 27, 2008