Patent Application Grant

Intellectual Property Services Centre
Hong Kong Productivity Council
What is the “Patent Application Grant”? 

- Launched in April 1998 
- Administered by the Innovation and Technology Commission (ITC) 
- Hong Kong Productivity Council (HKPC) is the implementation agent
What is its objective?

The Aim:
- The Grant aims to assist local companies and individuals to apply for patents of their own inventions

Benefits:
- To encourage local companies and inventors to capitalize their intellectual works to intangible assets through patent registration
- To enhance the climate of innovation among industry and society
Details of Patent Application Grant Scheme
Who are eligible to apply?

- Any individuals or enterprises who have **never** owned any patents in any countries or territories before

- For individual applicant, the applicant must be **Hong Kong permanent residents** or **Hong Kong residents permitted** to remain in Hong Kong for not less than 7 years. He should be the **sole inventor** or **one of the joint inventors** of the invention
Who are eligible to apply?

- For applicant company, it must be **locally incorporated company** (according to Hong Kong Law Chapter 622, Company Ordinance), 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 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. Funding support will not be provided if PAG has been granted to the applicant company’s related company(ies) (i.e. (1) company(ies) having a major shareholder (viz. those with **50% or more ownership**) in common with the applicant company or (2) company(ies) **without major shareholder(s) but having shareholders identical to those of the applicant company**).
What kind of applications will be supported?

- All applications for functional patents and inventions with **technology element** and **susceptible of industrial application** are eligible

- Cosmetic designs will not be supported
Who is the owner of the patent right?

- Patents obtained through funding from the Grant will be fully held by the individual applicant/applicant company
According to the Budget 2010-11, the maximum funding support of the Patent Application Grant (PAG) for application has been increased from HK$100,000 to HK$150,000 and then to HK$250,000 on 1st February, 2015.

**Funding Support After 1st February 2015**

- **HK$250,000**
- or 90% of the sum of patent application expenditure incurred, whichever is the lower
What is the form of funding support?

- The grant is for covering the cost for: patent search-cum-technical assessment, attorney fees, consultant fees, patent applications filing fee, the administration fee charged by HKPC (which is approximately equal to 20% of the total cost involved in patent application)

- Other expenses, including any costs incurred before the date of approval of the application and the renewal fee of granted patents, are not fundable
What is the valid period of the grant?

- The grant is non-transferrable and will be valid for 3 years from the date of approval of the application.

- The grant may not be sufficient to cover the patent application expenses, and individual applicant/applicant company has to bear the remaining balance.
Where to download the application form?

Applications can be made throughout the year. Application forms could be downloaded from any one of the following web sites:

How to apply the Grant?

- Fill in and submit two copies of application form with **original signature** on both and provide the details of the inventions.
- A copy of patent specification and filing receipt if available.
- For individual applicant, one photocopy of HKID card should be submitted together.
- For applicant company, this application form should be submitted together with one photocopy of the Certificate of Incorporation, Business Registration Certificate, and Incorporation Form (Form NNC1) or Annual Return (Form NAR1) filed with the Companies Registry.
- A deposit crossed cheque of HKD$3,000 payable to “Hong Kong Productivity Council”
- Send the completed form together with the cheque directly to Innovation and Technology Commission or the HKPC.
How will the applications be processed?

- Receive application form and the cheque of deposit for patent search cum technical assessment (HK$3,000)
- Assess the completeness of the information in the application form
- Identify if the technical information is sufficient to start the patent search cum technical assessment
- Conduct Search cum technical assessment
- Recommend to Innovation and Technology Commission to approve or reject the application according to the assessment results (the decision of the Commission is final)
- Inform the decision to the applicant
Patent Application Grant – Statistics
Patent Grant Application Statistics

4297 Applications
- Application Status

216 Rejected/Terminated by Innovation and Technology Commission

1417 Withdrawal Cases

353 Processing by HKPC

2311 Approved by Innovation and Technology Commission

Until 31 August 2019
Patent Grant Application Statistics

4297 Applications
- Types of Applicants

Type of Applicants

- 54% Individuals
- 46% Companies

Until 31 August 2019
Patent Application Grant
– FAQ
Q1: If I have already filed a patent application in a particular country, am I still eligible to apply for this Grant?

- Yes. 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.
Patent Application Grant – FAQ

Q2: Does the grant only cover the costs for Hong Kong patent applications?

- 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.
Q3: What will be the chance for success for the Grant?

- The chance of success depends on the invention itself and the search and assessment results.

- Since the launching of the Grant, around ½ of the applications got the approval of the funding.

- Reason for rejection:
  - Do not meet the patentability criteria of novelty, inventive step and industrial applicability. E.g. (perpetual motion machine (永動機))
Patent Application Grant – FAQ

Q4: How to determine the cost of patent search cum technical assessment?

- Implementation agent 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.

- Subject search cum technical assessment will be done first and then an assignee search will be conducted to identify if applicants are eligible to apply for the grant.
Q4: How to determine the cost of patent search cum technical assessment? (Con’t)

- 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$6,000 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 HK$4,500 or above.
Q5: How would it be if the information provided is insufficient?

- 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.
Q6: How long is the processing time for the application?

- The processing time depends on a number of factors, including the complexity of the inventions, and whether all the necessary information has been provided by applicant 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.
Points to note:

- Obtaining the third party opinion (normally from a patent attorney) to assess the patentability of the invention does not represent the application is approved.

- The decision of ITC on application will be final.

- 90% of the patent search cum technical assessment fee will be reimbursed after the PAG application has been approved.

- The applicant has to bear the total cost of patent search cum technical assessment if the application is rejected.
Thank you!

Patent Application Grant

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