



PROPOSED AMENDMENTS TO THE PATENTS ACT AND OTHER INTELLECTUAL PROPERTY RELATED ACTS

A. INTRODUCTION

Intellectual property (IP) is a vital component of the global economy today. According to the World Intellectual Property Organization, global patent filings have increased to around two million annually, up 45 per cent from 2000. The growth of IP in Asia has been particularly significant. East Asia has now overtaken North America, and also Western Europe, in the number of Patent Cooperation Treaty (PCT) applications, which are used for the filing of patent applications in multiple jurisdictions.

2. These developments present opportunities for Singapore to position itself as an Asian IP hub to service the growth in demand for IP services, and to become a key node for patent agency work. To do this, it is important for Singapore to strengthen our patent regime and develop world-class IP infrastructure that will meet the needs of inventors and businesses.

3. In this respect, the Ministry of Law (MinLaw) and Intellectual Property Office of Singapore (IPOS) propose amendments to the Patents Act¹ as well as other IP related Acts² for these initiatives:

- a) The change from a 'self-assessment' to a 'positive grant' patent system;
- b) The liberalisation of the patent agent regime, to allow foreign patent agents to register in Singapore to undertake offshore patent agency work; and
- c) Other technical amendments resulting from (i) the new Integrated Registries IT system at IPOS, and (ii) the Health Sciences Authority's (HSA) transfer of the regulatory regime for pharmaceutical products for human use from the Medicines Act to the Health Products Act.

A copy of the Patents (Amendment) Bill and the Intellectual Property (Miscellaneous Amendments) Bill are at **Annexes A and B** respectively.

¹ The Patents Act provides the legislative framework for the granting of patents and the regulation of patent agents in Singapore.

² These refer to the Plant Varieties Protection Act, Registered Designs Act and Trade Marks Act.

4. MinLaw and IPOS have conducted a series of consultations from August 2009 to April 2012 on these legislative amendments.

B. POSITIVE GRANT SYSTEM

5. The current self-assessment patent system allows patent applications to be granted regardless of the outcome of their examination reports. This means that patent applications may be granted without fully complying with patentability criteria³. This was a pragmatic approach when Singapore started its own patent system in 1995, when we did not have domestic patent search and examination capabilities. The proposed amendments to the Patents Act will introduce a new positive grant system where only patent applications which have fully positive examination reports (that is, which fully meet patentability criteria) can be granted.

6. The positive grant system will raise the overall quality of patents granted in Singapore, aligning our practices closer to established patent offices like the European Patent Office, Japan and the UK. This will strengthen business and investor confidence in our IP regime, and enhance Singapore's reputation as a leading IP hub in Asia.

7. In parallel with the introduction of the positive grant system, IPOS will be establishing patent search and examination capabilities. Today, such work is fully outsourced to patent offices in other countries. IPOS will build world-class search and examination capabilities in specific technology classes aligned with Singapore's main R&D thrusts. This will enlarge the suite of patent-related capabilities in Singapore and strengthen our credentials as an IP hub. Preparations for this new initiative are well on track. Response to IPOS' initial recruitment exercise for patent examiners has been excellent, with over 180 quality applicants for 20 positions. The team is expected to be operational by mid-2013.

8. Respondents to the public consultations have expressed support for the introduction of the positive grant system. Their feedback has been incorporated into the Patents (Amendment) Bill.

C. GROWING THE PATENT AGENT SECTOR

9. There are about 100 Singapore-registered patent agents in practice today. Currently, only (i) Singapore-registered patent agents with a patent agent practising certificate issued by IPOS, and (ii) advocates and solicitors with a legal practising certificate issued by the Singapore Supreme Court, are allowed to undertake patent agency work in Singapore (whether for filing in Singapore or other jurisdictions). In addition, a firm is allowed to carry on a business of and undertake patent agency work, only if at least one partner or director of the firm is either (i) or (ii).

³ The patentability criteria are novelty, inventive step and industrial applicability. Under the self-assessment system, the examination reports of patents granted are made public. An interested party can access them to assess the quality of a patent. They can also (i) request for another search and examination to be done for patents granted, or (ii) challenge a patent to have it revoked.

10. The proposed legislative amendments to the Patents Act will allow foreign patent agents to undertake offshore patent agency work in Singapore, without having to qualify as Singapore-registered patent agents⁴. This move will broaden the range of patent services in Singapore, particularly in international patent expertise, and is intended to meet the growth in regional demand for international patent services and attract such work to Singapore.

11. The scope of offshore work that foreign-registered patent agents can undertake in Singapore will include:

- a) Applying for or obtaining patents at any place other than IPOS;
- b) Preparing specifications or other documents for the purposes of:
 - i. the patent law of any country other than Singapore; or
 - ii. an international application for a patent, including PCT applications; and
- c) Giving advice about the validity or infringement of patents under the patent law of any country other than Singapore.

12. Local patent agency work (that is, the drafting and filing of patents for Singapore, and providing advice on the validity and infringement of patents under Singapore patent law) will continue to be undertaken only by Singapore-registered patent agents with a patent agent practising certificate; and advocates and solicitors with a legal practising certificate. In addition, only these persons can handle transactions with IPOS, for example, the filing of PCT applications through IPOS.

13. MinLaw and IPOS will specify the registration requirements for foreign patent agents in the Patents (Patent Agents) Rules. These will include proof of foreign patent agent qualifications, professional insurance and regulatory requirements on their practices.

14. During our consultation, we have received positive feedback from the IP owners at the Nanyang Technological University (NTU) and the Agency for Science Technology and Research (A*STAR), amongst others, that the liberalisation initiative will allow easier access to a wider range of patent agency services in Singapore. Today, some local inventors procure patent agency services directly from firms overseas. They find that there is not a very large selection of patent firms in Singapore having in-house qualified patent attorneys/agents with drafting capabilities or with extensive experience in patent litigation. They feel that expansion of such capabilities in Singapore would be advantageous. Having a greater number of patent agents physically present in Singapore would widen the pool of patent agents who can meet clients' requirements, particularly in highly specialised technology

⁴ Requirements to be a Singapore-registered patent agent include the completion of the Graduate Certificate in Intellectual Property Law, passing of four patent agent qualifying examination papers, as well as the completion of an internship in patent agency work. This typically takes four to six years.

fields, and hence reduce the need for clients to look outside Singapore for such services.

15. Local patent agents, on the other hand, have expressed concern about the effects of competition from foreign patent agents on the local profession. Our view is that if Singapore can develop stronger international patent agent capabilities, we can attract more work from the region and grow the overall market for Singapore firms. Such a move, moreover, would help improve the overall infrastructure in Singapore necessary to support national R&D efforts and the innovation economy in general. We are also presently reviewing the registration requirements for Singapore patent agents to ensure that these are not unduly onerous, and to better support those intending to join the profession. We will also work with IE Singapore to support Singapore-based patent agent firms seeking to venture overseas and further develop their offshore markets.

D. OTHER AMENDMENTS

New Integrated Registries IT System

16. Currently, IPOS operates three separate IT platforms for the filing of patents, trade marks and registered designs. Later this year, IPOS will be introducing a new integrated Registries IT system which will make it easier and more convenient for customers to execute transactions and access information related to the different types of IP. Legislative amendments largely pertaining to technical and procedural changes arising from the integration and harmonisation of registries' IT systems will be made to the Patents Act, Plant Varieties Protection Act, Registered Designs Act and Trade Marks Act.

Regulatory Changes Relating to the Medicines Act and Health Products Act

17. The Medicines Act presently regulates medicinal products including pharmaceutical products for human use. HSA will be bringing the regulation of these pharmaceutical products under the Health Products Act. Consequent technical changes to the Patents Act are required.

E. CONCLUSION

18. The amendments to the Patents Act will help strengthen our patent regime, grow patent capabilities in Singapore, and support MinLaw's and IPOS' efforts to establish Singapore as an Asian IP hub.

19. MinLaw and IPOS would like to thank all respondents who have provided invaluable feedback during the public consultations.

**MINISTRY OF LAW
INTELLECTUAL PROPERTY OFFICE OF SINGAPORE
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Annex A: Patents (Amendment) Bill 2012

Annex B: Intellectual Property (Miscellaneous Amendments) Bill 2012