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### **Design Patent Rights in Mainland China, HK and Taiwan**

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Designs registration, covering so many industrial product designs such as shapes, patterns, colors of almost every goods, such as bottles, engines, cars, watches, shoes, etc. is a very valuable intellectual property - Although the unfair competition laws and copyright laws protect the unregistered designs to a certain extent, the registered design will obtain a thorough and complete protect from the special law.

Generally, the unfair competition laws of mainland China and Taiwan provide protection for the goods packaging or decoration which also belongs to a kind of design - unauthorized use of goods packaging or decoration, or use of similar packaging or decoration, constitutes the act of unfair completion. However, there are 3 limits: 1) the goods which are modeled on should be well-known; 2) the packaging or decoration of the well-known goods should be peculiar; 3) the faked goods are confused with the well-known goods of others, causing buyers to mistake them for the well-known goods of others. If any of the above conditions cannot be satisfied, then the unregistered design cannot get deserved protection. In Hong Kong, the common law action for passing off can be extended with some difficult to protect unregistered designs, but often it is difficult to do so due to evidentiary reasons. The Copyright Ordinance recognizes unregistered design rights to some extent until they are

industrially applied.

Regarding the unregistered design protection by copyright laws in the three regions, copyright laws protect some of the works such as paintings, calligraphies, photos, videos, graphics, etc. which are firstly used on the industrial designs. However, reuse of these above works on similar goods could no longer be protected by the copyright laws.

Thus, registering the designs is the most effective way to protect them. As we know, once the design is registered, the applicant will own the exclusive right of the design related to the article - After the grant of the right for a design, no entity or individual may, without the authorization of the patentee, exploit the patent, that is, make, sell or import the product incorporating its or his patented design, for production or business purposes. Anyone who uses the design on same or similar goods in his business operation without permission constitutes infringement, to which the applicant can take legal actions.

Hong Kong, or Taiwan, where a design granted in mainland China will not be automatically effective. So, in order to obtain intellectual property protection in all the 3 regions, designs must be registered under the relevant rules according to local's patent practice.

### ● **Laws Governing Designs**

In mainland China, the design, as well as the invention and the utility model, as three types of patents, are stipulated by the PRC Patent Law (*issued by the Standing Committee of the National People's Congress on 12 March 1984 and amended for the first time on 4 September 1992 and for the second time on 25 August 2000*) and its implementation rules (*decree No. 306 of the State Council, issued on 16 June 2001 and commencing operation on 1 July 2001*).

In Taiwan, the patent system is extremely similar with the one in mainland China – the design, as one of the three types of patents, is stipulated by the Taiwan Patent Law (*issued by the Taiwan Government, latest amended and commencing operation on 24 October 2001*) and its implementation rules (*issued by the Taiwan Executive Yuan on 24 September 1947, latest amended and commencing operation 10 July 1987*).

However, Hong Kong institutes an independent legal system for industrial design protection, which is different from mainland China and Taiwan. In HK, the design patent alone is stipulated by the special Registered Designs Ordinance (*issued by the HK Legislative Council on 27 June 1997 and commencing operation on 30 June 1997*) and the Registered Designs Rules (*issued by the HK Legislative Council on 27 June 1997 and commencing operation on 30 June 1997*).

## ● Definitions of Designs

In mainland China, “design” means any new design of a product’s shape, pattern or a combination thereof, as well as its combination with the color and the shape or pattern of a product, which creates an aesthetic feeling and is fit for industrial application.<sup>1</sup>

In HK, “design” means features of shape, configuration, pattern or ornament applied to an article by any industrial process, being features which in the finished article appeal to and are judged by the eye, but does not include:

- a) a method or principle of construction; or
- b) features of shape or configuration of an article which:
  - i are dictated solely by the function which the article has to perform; or
  - ii are dependent upon the appearance of another article of which the article is intended by the designer to form an integral part.<sup>2</sup>

In Taiwan, “design” means any visible creation of a product’s shape, pattern, color or a combination thereof.<sup>3</sup>

## ● How to Register Designs

### ➤ Novelty

All mainland China, HK and Taiwan laws require the applied design to be novel, but the definitions of novelty are of difference below.

In mainland China, any design for which patent right may be granted must not be identical with and similar to any design which, before the date of filing, has been publicly disclosed in publications in the country or abroad or has been publicly used in the country, and must not be in conflict with any prior right of any other person.<sup>4</sup>

In HK, a design is new if : 1) it has not been previously registered for the same or any other article, or 2) it has not been previously published or disclosed in the HK or elsewhere<sup>5</sup>, except for the following situations:

- 1) Convention priority - if the applicants claim for the priority for filing an earliest application in the member countries of the Paris Convention or the member areas of the World Trade Organization, they are required to apply for design application in HK within 6 months after submitting the earliest application. To be registrable the design must be new at the priority date;<sup>6</sup>

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<sup>1</sup> See Article 2 of the implementation rules of the PRC Patent Law.

<sup>2</sup> See Article 2 of the HK Registered Designs Ordinance.

<sup>3</sup> See Article 106 of the Taiwan Patent Law.

<sup>4</sup> See Article 23 of the PRC Patent Law.

<sup>5</sup> See Article 5 of the HK Registered Designs Ordinance.

<sup>6</sup> See Article 15 of the HK Registered Designs Ordinance.

- 2) Confidential disclosure - disclosure in confidence by the owner, or disclosure by another person in breach of good faith, or communication to a government department, or display at an official international exhibition will not destroy the novelty of a design;<sup>7</sup>
- 3) International exhibitions - if an application is made not later than six months after the opening of the exhibition, a design displayed at, or published after, an official international exhibition will not lose its novelty.<sup>8</sup>

In Taiwan, the definition of novelty is similar with the one in HK, but the exceptions are of some difference:

- 1) International exhibitions<sup>9</sup> (as same as that in HK)
- 2) Research and experiment – if an application is made not later than six months after being used for a research or an experiment will not lose its novelty.<sup>10</sup>

### ➤ **Document Requirements**

Filing an application in mainland China requires:

- 1) A request;
- 2) Drawings or photographs of the design;
- 3) Indication of the product incorporating the design and the class to which that product belongs.<sup>11</sup>

Filing an application in HK requires:

- 1) A completed application form;
- 2) A set of clear representation of the design;
- 3) Representations and a statement of novelty<sup>12</sup> (which are essential as they show the design and describe the features claimed to be new so that the scope of protection can be known to the public)

Filing an application in Taiwan requires:

- 1) An application;
- 2) Drawings or photographs of the design and their illustrations;
- 3) An affidavit.<sup>13</sup>

### ➤ **Formality Examination**

<sup>7</sup> See Item (1) of Article 9 of the HK Registered Designs Ordinance.

<sup>8</sup> See Item (2) of Article 9 of the HK Registered Designs Ordinance.

<sup>9</sup> See Item (2) of Article 107 of the Taiwan Patent Law.

<sup>10</sup> See Item (1) of Article 107 of the Taiwan Patent Law.

<sup>11</sup> See Article 27 of the PRC Patent Law.

<sup>12</sup> See Article 8 of the HK Registered Designs Rules.

<sup>13</sup> See Article 112 of the Taiwan Patent Law.

In mainland China, HK and Taiwan, after a design application is filed, the administrative authority will examine the formalities of the application. The formalities are the information required in the application form. If the application is not in order, notice will be given to the applicant to correct the deficiencies within required time limit. Failure to correct deficiencies may result in the application being deemed withdrawn. There is no substantive examination of the application.

In mainland China and HK, the administrative authority does not search records of prior registered designs; however, the administrative authority in Taiwan will do that.

### ➤ **Registration and Publication**

If an application is in order, the design will be registered. The registration will be public and a certificate of registration be issued. These are applied in mainland China, HK and Taiwan.

#### ● **Duration of Registration**

Mainland China - The registration of a design lasts for 10 years beginning from the filing date.<sup>14</sup>

HK - The registration of a design lasts for 5 years beginning from the filing date. And it may be extended for additional periods of 5 years, up to a maximum of 25 years from the filing date.<sup>15</sup>

Taiwan - The registration of a design lasts for 12 years beginning from the filing date.<sup>16</sup>

#### ● **Application Cost (excluding the agent fees)**

Mainland China – Total RMB705 (\$103) needs to be paid, including filing fee RMB500 and registration fee RMB205.

HK - design for articles not forming a set of articles (for each article to which the design is to be applied) needs to pay the filing fee \$785; 1 design for 1 set of articles needs \$1,570. Further, advertisement in the official journal of the registration of a design needs to pay \$155.

Taiwan - Total NT\$3000 (\$91) needs to be paid.

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<sup>14</sup> See Article 42 of the PRC Patent Law.

<sup>15</sup> See Article 28 of the HK Registered Designs Ordinance.

<sup>16</sup> See Article 109 of the Taiwan Patent Law.

- **Maintenance Fees**

Mainland China - Application for renewal of the period of registration needs to pay RMB600 (\$88) each year for the 1<sup>st</sup> – 3<sup>rd</sup> year extension, RMB900 (\$132) each year for the 4<sup>th</sup> – 5<sup>th</sup> year extension, RMB1200 (\$176) each year for the 6<sup>th</sup> – 8<sup>th</sup> year extension and RMB2000 (\$293) each year for the 9<sup>th</sup> – 10<sup>th</sup> year extension.

HK - Application for renewal of the period of registration needs to pay \$1,230 for the 1st 5-year extension, \$1,860 for the 2nd 5-year extension, \$2,740 for the 3rd 5-year extension and \$4,170 for the 4th 5-year extension.

Taiwan - Application for renewal of the period of registration needs to pay NT\$2,500 (\$76) each year for the 1<sup>st</sup> – 3<sup>rd</sup> year extension, NT\$5,000 (\$152) each year for the 4<sup>th</sup> – 6<sup>th</sup> year extension, NT\$10,000 (\$304) each year for the 7<sup>th</sup> – 9<sup>th</sup> year extension and NT\$20,000 (\$608) each year for the 9<sup>th</sup> – 12<sup>th</sup> year extension.

- **Needed Time**

Usually a certificate of registration can be issued within 7 months after an application is filed in mainland China and Taiwan; only 2 months in HK.