

China to Abolish All Types of Patent Subsidy Before 2025

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Although China National Intellectual Property Administration (CNIPA) has taken strict measures to crack down abnormal patent filings (i.e., junk patent filings) since 2019, there are still plenty of patent applications that were filed for pursuing the quantity index rather than quality index. In order to focus on the quality of patent and totally eradicate the phenomenon of abnormal patent filings, the CNIPA decides to implement even stricter measures against applicants and patent agents filing abnormal patent applications.

Basically, it is required by the CNIPA that:

- (1) Any administrative evaluation on the patents should **not** be on the quantity of patent applications or quantity of granted patents, but more on the quality index;
- (2) The patent subsidies at local administrative level should **not** be granted to pending patent applications. This must be totally abolished by June of 2021.
- (3) Only the granted invention patents (including granted overseas invention patents) may be entitled to patent subsidies, and the amount of subsidies will **not** exceed 50% of the official fees. Attorney's fees and annuity fees will **not** be subsidized. However, this must be totally abolished before 2025.

In addition, the applicants of abnormal patent filings are clearly defined:

- (1) The entities or individuals that file multiple patent applications having **obviously the same contents**;
- (2) The entities or individuals filing multiple patent applications that **obviously plagiarized** existing prior art or prior designs;
- (3) The entities or individuals filing multiple patent applications that contain **simple substitutions** of various materials, components, ratios, parts, etc;
- (4) The entities or individuals filing multiple patent applications that contain **obviously fabricated experimental data or technical effects**;
- (5) The entities or individuals filing multiple patent applications in which product shapes, product patterns or product colors are **randomly generated by a computer**;
- (6) The entities or patent agencies that help the entities or individuals to file patent applications listed in (1) to (5) above.
- (7) The entities or individuals that intentionally file inter-related patent applications separately, so as to increase the quantity of patent filings;
- (8) The entities or individuals that file patent applications directed to technologies that are **obviously inconsistent with their research and development capacities**;

- (9) The entities or individuals that purchase or sell patent applications in an abnormal manner;
- (10) The entities or individuals filing patent applications that contain embodiments which are **obviously against the normal way of improving the technology**, such as using a complex structures to achieve simple functions, or combining/stacking conventional features or simple features, etc;

If any applicants are found to carry out abnormal patent filings above, they will be subjected to punitive measures below:

- (1) No more reduction or waiver of official fees; any official fees that have been reduced or waived will be made up;
- (2) The entities and their behaviors will be published on and criticized by the CNIPA website and China IP Newspaper
- (3) The abnormal patent filings will be deducted from the statistics in calculating the quantity of CN patent applications;
- (4) The qualifications for applying for the titles or awards of national intellectual property exemplary enterprises or the like will be cancelled;
- (5) The local IP offices shall not provide subsidies or awards to applicants and IP agencies filing abnormal patent applications; and even if the subsidies or awards have been issued, such need to be returned; and
- (6) The local IP offices shall reinforce the investigation of patent agencies that file abnormal patent applications or disrupt normal patent work.

The above measures showed a strong resolution of CNIPA to adjust patent subsidy policies, so as to improve Chinese patent quality by 2025.