

Comments/ Proposals to the Draft Patent (Amendment) Rules 2018

1. **Rule 18(2) : International Applications** : After Rule 18 (2), a proviso is proposed to be added that:

*"Provided that, in respect of international application, a patent agent shall file, leave, make or give all documents including scanned copies **that are required to be submitted in original, only by electronic transmission duly authenticated;**"*

*"Provided further that the original documents, **if required** to be submitted in original, shall be submitted **within a period of fifteen days;** failing which such documents shall be deemed not to have been filed".*

A. **Comments:** -

- i. From the draft rule, it appears that **originals are not required** and all documents including scanned copies (inclusive of GPA/ POA) have to be filed electronically and only upon request, the originals have to be submitted within 15 days. If this is the case, the draft rule should specify the date from which the 15 days' time period is to be reckoned from.
- ii. The said draft rule requires all documents in relation to an international application to be filed through **electronic transmission only**. This Rule is contrary to the PCT regulations *Rule 89 bis*¹ that permits filing of **international applications on paper**.
- iii. Also *PCT Rule 92.4*² allows submission of documents in relation to an international application through the use of teleprinter, fax machine or telegraph and also provides circumstances in

¹ Rule 89 bis *International Applications*

(a) International applications may, subject to paragraphs (b) to (e), be filed and processed in electronic form or by electronic means, in accordance with the Administrative Instructions, provided that any receiving Office shall permit the filing of international applications on paper.

(b) These Regulations shall apply mutatis mutandis to international applications filed in electronic form or by electronic means, subject to any special provisions of the Administrative Instructions.

(c) The Administrative Instructions shall set out the provisions and requirements in relation to the filing and processing of international applications filed, in whole or in part, in electronic form or by electronic means, including but not limited to, provisions and requirements in relation to acknowledgment of receipt, procedures relating to the according of an international filing date, physical requirements and the consequences of non-compliance with those requirements, signature of documents, means of authentication of documents and of the identity of parties communicating with Offices and authorities, and the operation of Article 12 in relation to the home copy, the record copy and the search copy, and may contain different provisions and requirements in relation to international applications filed in different languages.

(d) No national Office or intergovernmental organization shall be obliged to receive or process international applications filed in electronic form or by electronic means unless it has notified the International Bureau that it is prepared to do so in compliance with the applicable provisions of the Administrative Instructions. The International Bureau shall publish the information so notified in the Gazette.

(e) No receiving Office which has given the International Bureau a notification under paragraph (d) may refuse to process an international application filed in electronic form or by electronic means which complies with the applicable requirements under the Administrative Instructions.

²² **Rule 92.4- Use of Telegraph, Teleprinter, Facsimile Machine, Etc.**

(a) A document making up the international application, and any later document or correspondence relating thereto, may, notwithstanding the provisions of Rules 11.14 and 92.1(a), but subject to paragraph (h), be transmitted, to the extent feasible, by telegraph, teleprinter, facsimile machine or other like means of communication resulting in the filing of a printed or written document.

(b) A signature appearing on a document transmitted by facsimile machine shall be recognized for the purposes of the Treaty and these Regulations as a proper signature.

(c) Where the applicant has attempted to transmit a document by any of the means referred to in paragraph (a) but part or all of the received document is illegible or part of the document is not received, the document shall be treated as not having been received to the extent that the received document is illegible or that the attempted transmission failed. The national Office or intergovernmental organization shall promptly notify the applicant accordingly.

(d) Any national Office or intergovernmental organization may require that the original of any document transmitted by any of the means referred to in paragraph (a) and an accompanying letter identifying that earlier transmission be furnished within 14 days from the date of the transmission, provided that such requirement has been notified to the International Bureau and the International Bureau has published information thereon in the Gazette. The notification shall specify whether such requirement concerns all or only certain kinds of documents.

(e) Where the applicant fails to furnish the original of a document as required under paragraph (d), the national Office or intergovernmental organization concerned may, depending on the kind of document transmitted and having regard to Rules 11 and 26.3,

(i) waive the requirement under paragraph (d), or

which submission of original of any document may be requested [refer to Rule 92.4 (d)]. This rule further envisages the Receiving office (RO) to specify the nature of documents for which originals have to be submitted (*Applicable only in case filing is through the modes specified in Rule 92.4*).

- iv. Thus, if an international application is filed in accordance with *Rule 89 bis* of the PCT regulation, the need to file original documents should be done away with and if at all, original documents have to be filed, the nature of the documents should be specified in the Draft Rule 18.2 to remove any ambiguity and **ONLY** upon an invitation from the RO/ ISA should the said document be submitted.
- v. From the draft rule, it appears that originals are not required and all documents including scanned copies (inclusive of GPA/ POA) have to be filed electronically and only upon request, the originals have to be submitted within 15 days. If this is the case, the draft rule should specify the date from which the 15 days' time period is to be reckoned from.
- vi. Submission of Power of Attorney/ General Power of Attorney:
 - a. In case of international applications, an agent may be appointed by designation in Box No. IV of the request, if the international application is signed by the applicant.
 - b. Only in case, the international application is not signed by the applicant, the appointment of the agent must be in a separate document ("power of attorney") signed by the applicant.

B. Proposal to draft Rule 18.2:

- i. In case of (vi)(b) above, the submission of GPA (attested or notarized) / POA should be the only document to be filed in original and this is what probably can be included in the draft Rule 18.2
- ii. For any other document(s) that the RO requires originals, the RO should specify the nature of document and send out an invitation to the applicant to submit the same within a defined time frame in accordance with the PCT regulations.
- iii. The rule should clearly specify that the originals of GPA/ POA are required within 15 days from the date of receipt of invitation from the RO/ IB or in the alternate state that for all cases, GPA/ POA in original has to be filed within 15 days of submission.

(ii) invite the applicant to furnish, within a time limit which shall be reasonable under the circumstances and shall be fixed in the invitation, the original of the document transmitted, provided that, where the document transmitted contains defects, or shows that the original contains defects, in respect of which the national Office or intergovernmental organization may issue an invitation to correct, that Office or organization may issue such an invitation in addition to, or instead of, proceeding under item (i) or (ii).

(f) Where the furnishing of the original of a document is not required under paragraph (d) but the national Office or intergovernmental organization considers it necessary to receive the original of the said document, it may issue an invitation as provided for under paragraph (e)(ii).

(g) If the applicant fails to comply with an invitation under paragraph (e)(ii) or (f):

(i) where the document concerned is the international application, the latter shall be considered withdrawn and the receiving Office shall so declare;

(ii) where the document concerned is a document subsequent to the international application, the document shall be considered as not having been submitted.

(h) No national Office or intergovernmental organization shall be obliged to receive any document submitted by a means referred to in paragraph (a) unless it has notified the International Bureau that it is prepared to receive such a document by that means and the International Bureau has published information thereon in the Gazette.

- iv. For other documents, the date from which the 15 days' time period for submission of original is reckoned from should be specified, which will arise only upon an invitation request from the RO/IB.

2. Rule 24 C: Expansion of Expedited Examination of Applications

Sub-rule (1) of rule 24 C, clause (b) shall be substituted, as follows: -

b)" that the applicant is a startup; or

c) that the applicant is a small entity as defined in rule 2(fa) of the principal rules; or

*d) that in case of natural persons only, the applicant or **at least one of the applicants is a female; or***

*e) that the applicant is a **government undertaking** in accordance with clause (h) of subsection (1) of section 2 of the Act in case of an Indian applicant, or is a similar entity in case of a foreign applicant.*

Explanation:- The term 'substantially financed' in sub-clause (iv) of clause (h) of subsection (1) of section 2 of the Act shall have the same meaning as in the Explanation to sub-section (1) of section 14 of the Comptroller and Auditor-General's (Duties, Powers and Conditions of Service) Act, 1971, or

f) that the applicant is eligible under an arrangement for processing an international application pursuant to an agreement between Indian Patent Office with another participating patent office.

*Explanation: The patentability of patent **applications filed under clause (f)** above will be in accordance with the relevant provisions of the Act."*

A. Comments

- i. **Enlarge the definition of applicant for entitlement to reduced fee/ concessions:**
 - a. Although the rules provide for concessions (expedited examination) with respect to start-ups³, small entities⁴, women⁵ etc, they fail to help ease the heavy burden of patent fee on education & research institutions, despite the immense role they play in fostering new innovations and novel inventions.
 - b. To elaborate on the problem, the definition of the "applicant" in the current rules divides the applicant among "natural person", "other than natural person-small entity", and "other than natural persons-others except small entity"⁶. A more recent addition to this division is the concept of "start-ups".⁷
 - c. However, this division, specifically the "other than natural persons-others except small entity" does not encourage and include universities and other institutions of higher education and fundamental research. A vast majority of such institutions fall under this category of the applicant as per the current definition of "applicant" under the current Patent Rules, despite the fact that they are not engaged in any, if at all, commercial

³ § 3 (b), Draft Patents (Amendment) Rules, 2018 vide notification G.S.R. 1172(E).

⁴ § 3 (c), Draft Patents (Amendment) Rules, 2018 vide notification G.S.R. 1172(E).

⁵ § 3 (d), Draft Patents (Amendment) Rules, 2018 vide notification G.S.R. 1172(E).

⁶ § 7, Patents Rules, 2003.

⁷ § 2 (fb), Patents Rules, 2003.

activity. Thus, such institutions which provide innovation at the grassroots level are severely burdened by the higher costs imposed on them due to this lacking definition/division/categorisation of the applicant.

- d. The revision to the definition of the definition “applicant” should encompass a multitude of educational and research institutions, such as public and private schools, technical training institutions, and universities. Furthermore, the category would also encompass “public funded research institutions” such as Indian Institutes of Technology (IITs), Indian Institute of Science (IISc), National Institute of Immunology (NII), All India Institutes of Medical Sciences (AIIMS) and other institutions of significant national importance, etc.
 - e. This specific category should have an equal fee structure as “individual” or “start-up” in order to ensure their necessary participation in the patents regime of India.
 - f. The reasons for the said proposal to the said Rule 24C are attached as **Annexure A**.
- ii. Expedited examination where even a single Applicant is a female is against Article 14 of the Constitution of India and therefore should be deleted.
- iii. **PPH : Proposed Rule 24(C)(1)(f) needs a minor revision. The term “processing of an international application” needs to be replaced with “processing of a patent application filed under Sections 7, 16, 54, 135 and 138”.**
- The reason of the said revision is that international applications are under the Patents Act, are PCT applications ONLY⁸ and don’t include national phase applications, convention applications, non- convention applications, patent of addition and divisional applications.
- iv. Expedited examination where even a single Applicant is a female is against Article 14 of Constitution of India and therefore should be deleted.
- v. Rather the grounds on which expedited examination may be requested should be enlarged to include:
- a. Inventions that promote green technology;
 - b. In case there is a threat of infringement; and
 - c. That applicant’s age (65 years or more) or reasons of health.
- vi. **Limit on the number of requests for expedited examination**
- a. The Patent Rules, provides for a limit⁹ to the number of expedited requests for examination that will be entertained by the Indian patent Office. The limit on the number of expedited request for examination that can be entertained by the Indian patent Office should be removed.
- vii. **Refund of expedited examination fees:**
- a. There has to be a provision for refund of expedited examination fee if;

⁸ Section 138(4)

⁹ Rule 24(C) (13) of the Patent Rules 2016- Notwithstanding anything contained this rule, the Controller may limit the number of requests for expedited examination to be received during the year by way of a notice to be published in the official journal

- i. The request of the applicant is rejected for not being entitled to expedited examination;
- ii. For not fulfilling the requirements laid down by the Act and Rules; and
- iii. If a limit on expedited request continues to remain, then there has to be a provision for refund of FULL examination fee if the applicant's request for expedited examination is rejected for the limit having reached.

B. Proposal

- i. Thus, we seek to propose an amendment in the definition of the applicant to include a new sub-category, namely, *"other than natural person – educational institutions & public funded research organisations"*. This can definition can be extended to all provisions to the Indian Patents Act and Rules and not just expedited examination.
- ii. Revise Rule 24(C) (1)(f) as suggested above to replace reference to "international applications";
- iii. Remove the category of the applicant being a woman;
- iv. Refund of examination fee as stated above;
- v. Remove the limit on the number of expedited requests that can be entertained; and
- vi. Enlarge the scope for requesting expedited examination.

3. **Pre- grant representation procedure prescribed by Rule 55:** The draft rules propose inserting the sub-rules in the principle rule 55 of the Patent Rules and suggested to constitute an Opposition Bench in case of pre-grant opposition. The proposed sub-rules are as follows:

- i. *After sub-rule 2: 2(A) the Controller shall constitute a bench comprising of two members who shall proceed to dispose of the application and the representation jointly. If in case, the members of the Opposition Bench differ in opinion on any issue, the Controller shall nominate a third member to the bench and subsequently the majority decision will be treated as final.*
- ii. The word "Controller" shall be substituted with the word "bench" in sub-rules (3) and (5) of the principle rule 55. Meaning thereby, the bench in the case of subrule (3) and (5) shall be responsible for the refusal or acceptance of the pre-grant opposition.

A. Comments and Proposal:

- a) Constitution of a bench is against the legislative intent of Section 25(1) of the Indian Patent Act. The Courts as well as the Statement of Purpose of the Act clearly recognized that the pre-grant representation procedure is an extension of the examination process i.e Sections 12 & 13 and only aids in examination. Further, the said proceedings are summary proceedings and have to be disposed of as expeditiously as possible.
- b) The creation of an Opposition Bench firstly creates two parallel procedures. One under Sections 12 & 13 of the Indian Patents Act where the one Controller examines the patent application and carries out investigation and the other under Section 25(1), where the rules propose creation of a 2-3 member bench. This will stifle and delay the disposal of patent applications and the process will become endless. Statistics of the Patent Office clearly show that
 - i. There is an abuse of the process of law as straw men are filing patent applications that don't even exist;

- ii. Serial Oppositions are becoming a norm and no steps are being taken to curtail it and prevent the abuse of the system. The controllers don't even exercise discretion under Rule 55(3).
 - iii. Patent Law firms and Advocates have started filing pre-grant oppositions that is indicative of the abuse of the law. While many may encourage this, it is not in the interest of the Patent System of India and the image of the country.
 - iv. Orders in pre-grant oppositions are being issued after 1-5 years which is contrary to Rule 55(5). Rule 55(5) that requires the Opposition to be disposed of "*ordinarily within one month*". No timelines are being followed as a result frivolous and serial oppositions are being filed.
 - v. The Patent Office has taken no steps to improve this situation and by creating an Opposition bench besides being against the legislative intent will only worsen the plight of genuine applicants.
- II. Having said this, the creation of 2 member Opposition bench and then enlarging to a three member bench is not a good idea. If the 2 member bench has already heard a case and disagree, how can a 3rd member be introduced at a stage after the hearing and form an opinion without even participating in the proceedings or attending the hearing.
- III. In case , an opposition Bench (OB) is created, it should be a 3- member bench of Controllers who need to give a **written opinion** to the hearing officer (the Controller who examines the case) similar to the post grant proceedings. In any event, the creation of the OB is clearly seen an attempt to delay disposal of patent applications and erodes the trust the applicant has in the Patent System. This written opinion has to be handed over to the applicant and opponent prior to the hearing.
- IV. If possible, it is recommended that the timeline for filing of pre-grant oppositions be introduced. Such time line should be "from the date of publication of the application under Section 11A and until 6 months from the date of issuance of the first examination report". This will in the real sense "aid examination" rather than delaying disposal and abuse the process of law.

(P.S: Should the Ld. Director require us to give statistics on the abuse of this process including the delays at the Patent office, we will be happy to provide this information.)

Additional proposed amendments:-

- (1) **Form 27:** working statements forms pursuant to the stakeholders meeting should be simplified.
- (2) **Post grant procedure:** A new rule 56(5) be added to the current rules to include a provision that the recommendations of the Opposition Board should be provided to the patentee and opponent 15 days prior to the hearing date. This is in line with the Hon'ble Supreme court direction and Patent Office practice.

- (3) **No original documents except POA/ GPA;** The Indian Patent Rules, should be modified to do away with the filing of original documents except POA/ GPA. Rule 6(1)(A) needs to be modified including the proviso to read as follows:

“Notwithstanding anything contained in sub-rule (1), a patent agent shall file, leave, make or give all documents only by electronic transmission duly authenticated”

- (4) **Pre grant representation fee:** A fee should be introduced for filing a pre grant opposition, to curb filing of frivolous oppositions and reduce serial oppositions. [Form-7A]
- (5) **Pre grant representation Cost:** In case an opponent files a frivolous opposition to delay grant, files opposition and does not attend hearing etc, heavy costs should be imposed, to prevent increase in frivolous filing of multiple oppositions.
- (6) **Notice of Allowance:** Since the time line for grant of a patent is not defined and may vary from case to case, the time period for which the applicant shall continue filing information under section 8 or for filing of divisional application becomes uncertain. It is therefore, advisable to introduce a provision in Rule 24B requiring the Controller to issue a notice of allowance to the applicant along with the intended text of grant (similar to EPO) intimating the expected date of grant of a patent along with the allowed specification. This is also in accordance with the decision of Snehlata Gupte of the Delhi High Court.
- (7) **Patent certificate** should be accompanied with the complete specification as granted. [Rule 74].
- (8) **Multiple extensions:** The timeline for putting the application in order for grant is 6 months, which is extendible by three months. Only one extension of one, two or three months is allowed. Multiple extensions of maximum and a total of three months should be allowed. [Sub-rule 6 of Rule 24-B].
- (9) **Claim fee:** The fee for filing an application becomes exorbitant considering the high per claim fee in India. Either the number of fee claims should be increased or the fees for claims should be reduced. Please find below the detail of claim fee in some other countries for ready reference:

Sr. No	Country	Number of free claims while filing the application
1	USA	20 Claims are free
		3 independent claims are free
2	Europe	15 claims are free
3	China	10 claims are free
4	Japan	No claim fees are required while filing the application
5	S. Korea	No claim fees are required while filing the application
6	Canada	No claim fees are required while filing the application
7	Australia	No claim fees are required while filing the application
8	New Zealand	No claim fees are required while filing the application
9	Brazil	No claim fees are required while filing the application
10	Mexico	No claim fees are required while filing the application

Annexure A- Inclusion of universities and public funded research institutes for expedited examination

The reasons for the proposal to include universities and public funded research institutes for expedite examination are as follows:

- A. Universities and Research Institutes are considered to be the paramount foundations for the growth & development of any country. Majority of the preliminary research is carried out in these institutions, giving way to new inventions. Intellectual Property Rights (IPR) laws primarily seek to protect such inventions from being misused and infringed by third parties. They ensure that the State realises the wealth of innovations and brings it to the public, while helping in commercialization of these inventions. The laws mobilise the development of such innovations. Therefore, it is imperative that such innovations are protected at the grassroots level, and IPR Protection is available to all, regardless of economic strata.
- B. The government has been steadily reducing spending on education (as per budget estimates) — it dropped from one per cent of the country's income in the government's first Budget in 2014-15 to 0.62 per cent in 2017-18. Its share in the budget too has been slashed from 6.15 per cent to 3.7 per cent.¹⁰ Furthermore, India currently spends only 0.8% of its GDP on research.¹¹ Due to the same reason, Taiwan — smaller in area than Kerala with a population less than that of Haryana — exported about \$116-billion worth of semiconductors and electronics in 2015. In comparison, information technology and business process management exports from India are about \$108 billion.¹² Thus, such a categorisation would ensure higher inflow of FDI and revenues to India.
- C. The proposed amendment would create avenues for easier collaboration with start-ups. Currently, if a university or research institutions files patents in joint ownership with a start-up, then the aforementioned joint applicant has to pay the full filing fee (under the “other than natural persons-others except small entity”) of Rs. 8000. This is detrimental to the growth of the start-up ecosystem in India and defeats the purpose of giving fee concessions to start-ups. Most start-ups in India are born out of universities and the research they conduct for developing their products is mostly a collaborative effort with a university or educational institutions.
- D. Such concessions would be in accordance to the Directive Principles of State Policy enshrined in the Constitution of India as well. Article 38 directs the state to secure a social order for the promotion of welfare of the people.¹³ Article 47 enshrines the duty of the State to raise the level of nutrition and the standard of living and to improve public health. ¹⁴ It would also lead to the development the scientific temper, humanism and the spirit of inquiry and reform.¹⁵ The same would undoubtedly raise the level of Indian educational and research institutions, to compete with the global market.
- E. The World Intellectual Property Organisation has expressed that “*Encouraging universities to commercialize research results by granting them title to IP can be useful but it is not sufficient to get researchers to become inventors*”. The key is that institutions and individual researchers

¹⁰ https://www.business-standard.com/article/current-affairs/story-in-numbers-spending-on-education-in-four-years-of-modi-government-118020400653_1.html.

¹¹ <https://economictimes.indiatimes.com/small-biz/security-tech/technology/india-needs-to-budget-for-research-funding/articleshow/56904031.cms>.

¹² *Ibid.*

¹³ Art. 38, Constitution of India.

¹⁴ Art. 47, Constitution of India.

¹⁵ Art 51A (h), Constitution of India.

have incentives to disclose, protect and exploit their inventions. Incentives can be “sticks” such as legal or administrative requirements for researchers to disclose inventions.”¹⁶ Incentives can relate to royalty sharing agreements or equity participation in academic start-ups. Recognition of patent activity in the evaluation and recruitment of faculty can also provide incentives for young researchers. Tsinghua University in China offers its young researchers prizes for inventions that are commercialized. It is submitted that the concessions would serve such incentivisation of Patent filing.

- F. Furthermore, the WIPO comments that “...it is important that incentives are set at the institution level, however national guidelines can help bring about coherence and the sharing of good practices.”¹⁷

The proposed idea of concessions and incentives suggested above for “other than natural person – educational institutions & public funded research organisations” is not a novel one. Similar provisions are found in the jurisdictions and patent regimes of several countries to promote university research, innovation, patent protection and patent filing.

Some examples of such laws in other jurisdictions include:

- I. In Europe, the reduction of fee is 30% of filing fee or examination fee for small and medium-sized enterprises; natural persons: or non-profit organisations, universities or public research organisations as per Article 14, “the reduction laid down in Rule 6, paragraph 3, of the Convention shall be 30% of the filing fee or examination fee.”¹⁸ Further, where the European Patent Office has drawn up an international preliminary examination report, the examination fee shall be reduced by 75 %. Under Rule 6, a person referred to in Article 14, paragraph 4, filing a European patent application or a request for examination in a language admitted in that provision, the filing fee or examination fee shall be reduced in accordance with the Rules relating to Fees for: (a) small and medium-sized enterprises; (b) natural persons; or (c) non-profit organisations, universities or public research organisations.
- II. In the United States of America, the Leahy–Smith America Invents Act (AIA), 2012 served as an impetus to developing the university and research institution patent filings. The Act creates the concept of **Micro Entities** which are provided a micro entity discount (up to 75%) on any fees related to Patents. Further, such fees will be adjusted under the fee setting authority of Patents.¹⁹ The AIA continues to provide a small entity discount (50%) under relevant portions of the Act.²⁰ Once the USPTO sets these new fees, it is anticipated that the new fees will include a 50% reduction for small entities and a 75% reduction for micro entities for “filing, searching, examining, issuing, appealing, and maintaining patent applications and patents.” Applicants qualifying for a small entity discount (50%) will be those who meet the current definition in 35. C. 41(h) (1) U.S while applicants qualifying for a micro entity discount (75%) will be those who meet the definition outlined in AIA Section 11(g).²¹ The process for seeking Micro Entity status is quite simple and appears to merely involve signing a one-page form. (SB-15A and SB-15B).²² The Patent Act specifically ties the economic hardship exception to fee shifting to “an institution of higher education (as defined in section 101(a) of the Higher

¹⁶ https://www.wipo.int/sme/en/documents/academic_patenting.html.

¹⁷ Ibid.

¹⁸ Art. 14, Rules relating to Fees of 20 October 1977 as adopted by decision of the Administrative Council of the European Patent Organisation of 7 December 2006 and as last amended by decision of the Administrative Council of 13 December 2017¹ as in force as from 1 April 2018

¹⁹ Section 10 of the AIA

²⁰ 35 U.S. C. § 41(h)(1)

²¹ <https://www.uspto.gov/about-us/news-updates/uspto-updates-fee-schedule-following-enactment-leahy-smith-america-invents-act>.

²² <https://patentlyo.com/patent/2014/02/entity-status-filing.html>.

Education Act of 1965 (20 U.S.C. 1001(a))...” Section 101(a) reads: “(a) Institution of higher education for purposes of this chapter, other than subchapter IV, the term “institution of higher education” means an educational institution in any State that—

- (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, or persons who meet the requirements of section 1091 (d) of this title;
 - (2) is legally authorized within such State to provide a program of education beyond secondary education;
 - (3) provides an educational program for which the institution awards a bachelor’s degree or provides not less than a 2-year program that is acceptable for full credit toward such a degree, or awards a degree that is acceptable for admission to a graduate or professional degree program, subject to review and approval by the Secretary;
 - (4) is a public or other non-profit institution; and is accredited by a nationally recognized accrediting agency or association.”²³
- III. In Japan, post 1990s, there has been series of deregulations and reforms in the area of university patent licensing- special facilities for joint research have been developed in universities, Patent fees have been reduced for applications made by university researchers or Technology Licensing offices (TLOs). Furthermore, special tax concessions are awarded for company R&D expenditures made as part of university-industry applications.²⁴ In 1999, the law dubbed as the Japanese Bayh-Dole Act, allows a reduction in patent fees for academic inventions, with a view to ensure the proper growth of the economy and patent regime.²⁵
- IV. Another example is that of South Korea, where all patent rights applications belonging to the State are exempted from paying any patent fees or official fees. Under Article 83 (Reduction or Exemption of Patent Fees or Official Fees) of the Republic of Korea Patent Act (Act No. 950 of December 31, 1961, as amended up to Act No. 6411 of February 3, 2001). “The Commissioner of the Korean Intellectual Property Office shall grant an exemption from paying any of the following patent fees or official fees: Official fees or patent fees corresponding to the patent applications or patent rights belonging to the State...”²⁶ Furthermore, to heighten the interest of universities and research institutes in IPRs and IPR applications, KIPO has established a system of cooperation. On December 12, 2001, it signed agreements for Cooperation on IPR Administration with 20 institutes, including Hanbat University, Daedeok University, the Korea Institute of Energy Research and the Korea Institute of Machinery and Materials. These agreements have enabled KIPO to cooperate with relevant organizations in a more systematic and strategic manner.²⁷ Thus, such incentives can boost the university patent applications as well.
- V. In Canada, certain fees for obtaining and maintaining a patent are reduced by 50% for small businesses and universities to encourage them to use the patent system.²⁸ According to the Patent Rules,²⁹ Rule 3 (2) the appropriate fee on filing an application is treated separately if a small entity declaration is filed in accordance with section 3.01, the small entity fee set out in item 1 of Schedule II. Further, under Rule 3.01 (3) a *small entity*, in respect of an invention, means an entity that employs 50 or fewer employees or that is a university, but does not include an entity that
- (a) is controlled directly or indirectly by an entity, other than a university, that employs more than 50 employees; or

²³ Section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

²⁴ Japan, Moving Toward a More Advanced Knowledge Economy, World Bank Institute, Vol 1, Pg. 138.

²⁵ *Ibid.*

²⁶ Article 83 (Reduction or Exemption of Patent Fees or Official Fees) of the Republic of Korea Patent Act (Act No. 950 of December 31, 1961, as amended up to Act No. 6411 of February 3, 2001).

²⁷ Korea’s Invention Promotion Activities. KIPO. Sept. 2003, http://www.kipo.go.kr/upload/e_n/download/KoreaInventionPromotionActivities.pdf.

²⁸ <https://www.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/wr04203.html>

²⁹ SOR/96-423.

(b) has transferred or licensed or has an obligation, other than a contingent obligation, to transfer or license any right in the invention to an entity, other than a university, that employs more than 50 employees.

- VI. The People's Republic of China, to better support the development of China's patent industry and reduce the burden of patent and application for enterprises and individuals sought "Several Opinions on Accelerating the Construction of Intellectual Property Power in the New Situation".³⁰ The Ministry of Finance and Taxation has on such basis formulated the "Measures for the Reduction of Patent Fees"³¹ Article 2 of the same allows the patent applicant or patentee may request to reduce the following patent fees: (1) Application fee (excluding the publication of printing fees and application for surcharges); (2) The substantive examination fee for the invention patent application; (3) Annual fee (annual fee for six years from the date of grant of the patent); (4) Review fee. Further, according to Article 3A, the patent applicant or patentee who meets one of the following conditions may request the State Intellectual Property Office to reduce the above fees: (1) Individuals whose monthly average monthly income is less than 3,500 yuan (42,000 yuan per year) ; (2) Enterprises with taxable income of less than 300,000 yuan in the previous year ; (3) Institutions, social organizations, and non-profit scientific research institutions.
- VII. Under the Australian Patents Act 1990, The Commissioner may exempt a person from the payment of the whole or any part of a fee if the Commissioner is reasonably satisfied that the action is justified, having regard to all the circumstances.³²

To conclude, we would like to once again emphasise the role of making universities and other public research organizations more active in protecting and exploiting their IPR, to the growth and development of industry and scientific temper of the country. The proposed amendment in the definition of the applicant to include a new sub-category, namely, "other than natural person – educational institutions & public funded research organisations" would be a progressive and prodigious step in this regard. It would ensure that a variety of educational and research institutions, such as public and private schools, technical training institutions, universities, public funded research institutions other institutions which act as incubators of innovation, are motivated to further develop and accelerate the creation of novel ideas.

³⁰ Guo Fa [2015] No. 71

³¹ Notice on Printing and Distributing the Measures for the Reduction of Patent Fees Finance and Taxation, [2016] No. 78

³² Art 22.6, Australian Patents Act 1990 No. 83, 1990.