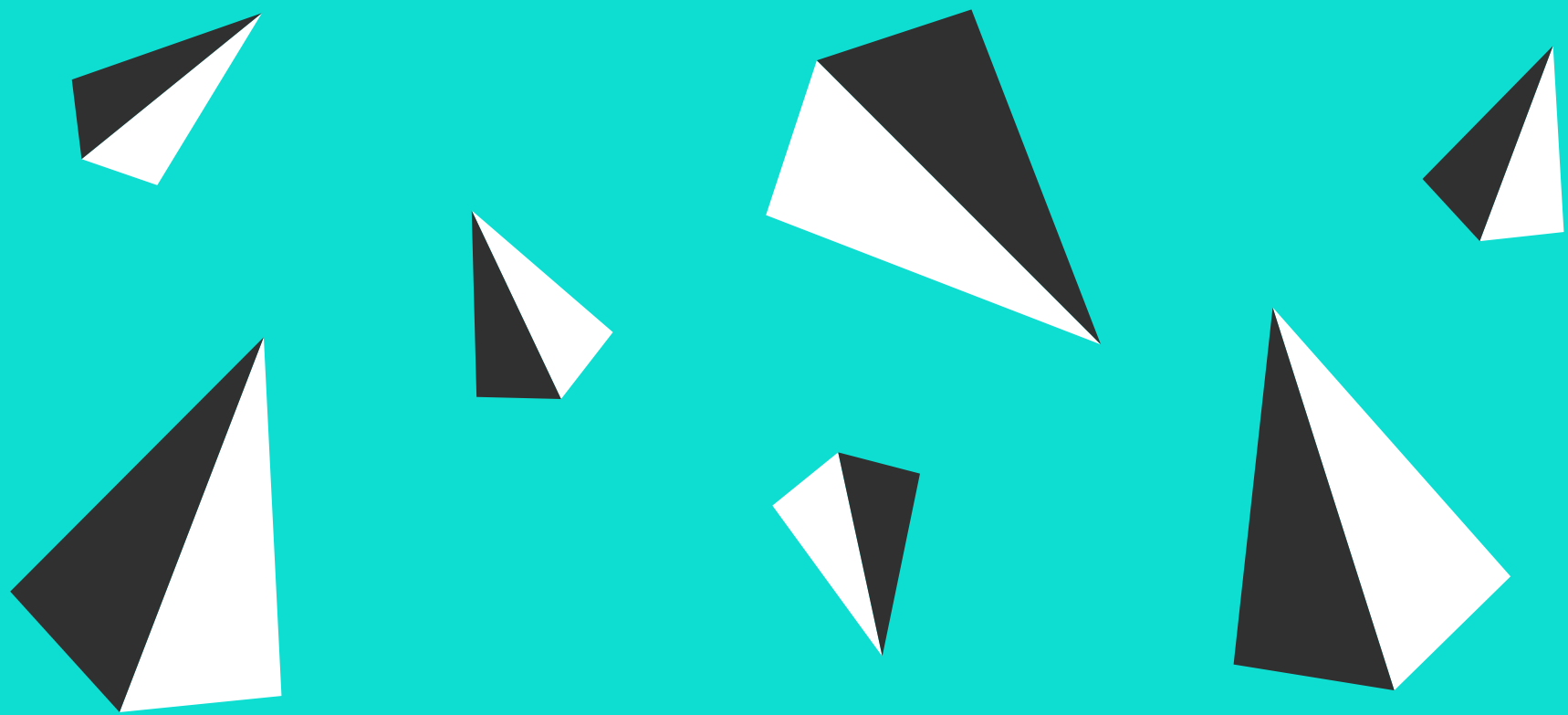


UTILITY MODELS



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IP Manager, Landa Digital Printing

AGENDA



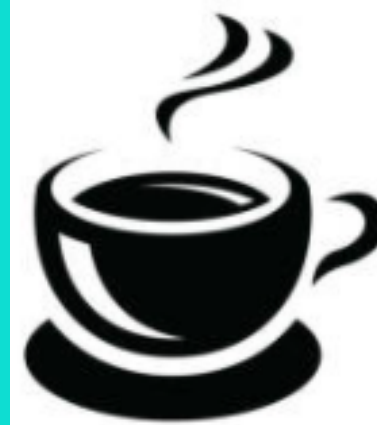
WHAT IS UTILITY MODEL



UTILITY MODEL VS PATENT



MAIN FEATURES



ZOOM IN TO SOME JURISDICTIONS



**FILING AND REGISTRATION
PROCESS**



EXAMPLES AND STORIES

WIPO DEFINITION

SHORTENED VERSION

Like **patents**, utility models protect **new technical inventions** through granting a limited exclusive right to prevent others from commercially exploiting the protected inventions without consents of the right holders . It is not easy to define a utility model, as the definition varies from one country to another.

In general, utility models are considered particularly suited for protecting inventions that **make small improvements** to, and adaptations of, existing products or that have a **short commercial life**.



DIFFERENT NAMES



**SHORT-TERM
PATENT**
Ireland, Luxemburg



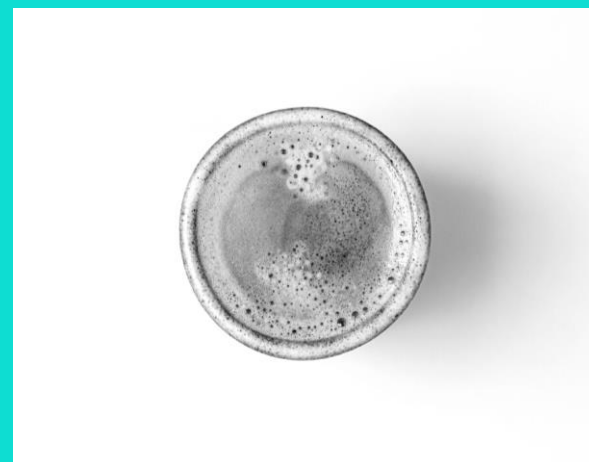
UTILITY MODEL
China, Japan



CERTIFICAT D'UTLITÉ
France



PETTY PATENT
UTILITY INNOVATION
SIMPLE PATENT



GEBRAUCHSMUSTER
Germany, Austria



INNOVATION PATENT
Australia



מדגם תועלת*

*מינוח בעברית

בישראל אין מדגמי תועלת

LIST OF COUNTRIES

ALLOWING UTILITY MODEL PROTECTION

Albania, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Belarus, Belize, Botswana, Brazil, Bulgaria, Chile, China, Costa Rica, Croatia, Czech Republic, Denmark, Dominica, Dominican Republic, Egypt, El Salvador, Estonia, Ethiopia, Finland, France, Georgia, Germany, Ghana, Greece, Guatemala, Honduras, Hungary, Indonesia, Ireland, Italy, Japan, Kazakhstan, Kenya, Kyrgyzstan, Lao People's Democratic Republic, Malaysia, Mexico, Mongolia, Mozambique, Oman, Namibia, Nicaragua, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Spain, Swaziland, **Taiwan**, Tanzania, Thailand, Tonga, Trinidad and Tobago, Turkey, Uganda, Ukraine, United Arab Emirates, Uruguay, Uzbekistan, Viet Nam, ARIPO, OAPI and Andean Community

[HTTPS://WWW.WIPO.INT/PATENTS/EN/TOPICS/UTILITY_MODELS.HTML#accordion__collapse__07](https://www.wipo.int/patents/en/topics/utility_models.html#accordion__collapse__07)



MAIN FEATURES



SCOPE

Mostly technical
inventions



TIME

6-10 years



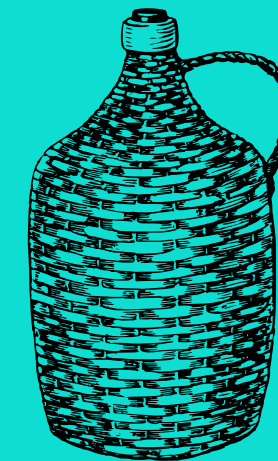
REQUIREMENTS

Novelty and inventive step
(in some countries the
requirements are weaker
than patents)



GRACE PERIOD

6-12 months



EXAMINATION

Normally no SR and
substantial examination.
Registration time - several
months.



COSTS

Relatively low costs



PUBLICATION

After the grant

SUBJECT MATTER



Technical inventions

- Apparatus and devices
- Chemical substances
- Medical/medicinal products



Limitations

Sometimes limited to 3D inventions defined in terms of “form”, “structure” or “configuration”, in particular utensils, instruments, tools, apparatus, devices



Excluded from protection

Processes and methods (allowed in a few countries such as Australia)

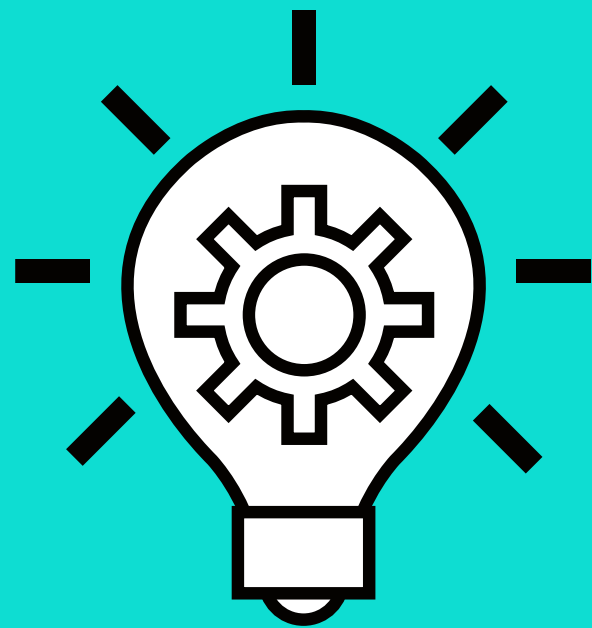


Excluded from protection

Discoveries, scientific theories, mathematical methods, blueprints, patterns, teaching methods and rules for playing games, accounting systems and programs for computers, process inventions, for example manufacturing and working processes, biotechnological inventions or animal and plant varieties

UTILITY MODEL FILING AND REGISTRATION PROCESS

WHERE? WHEN?



First filing

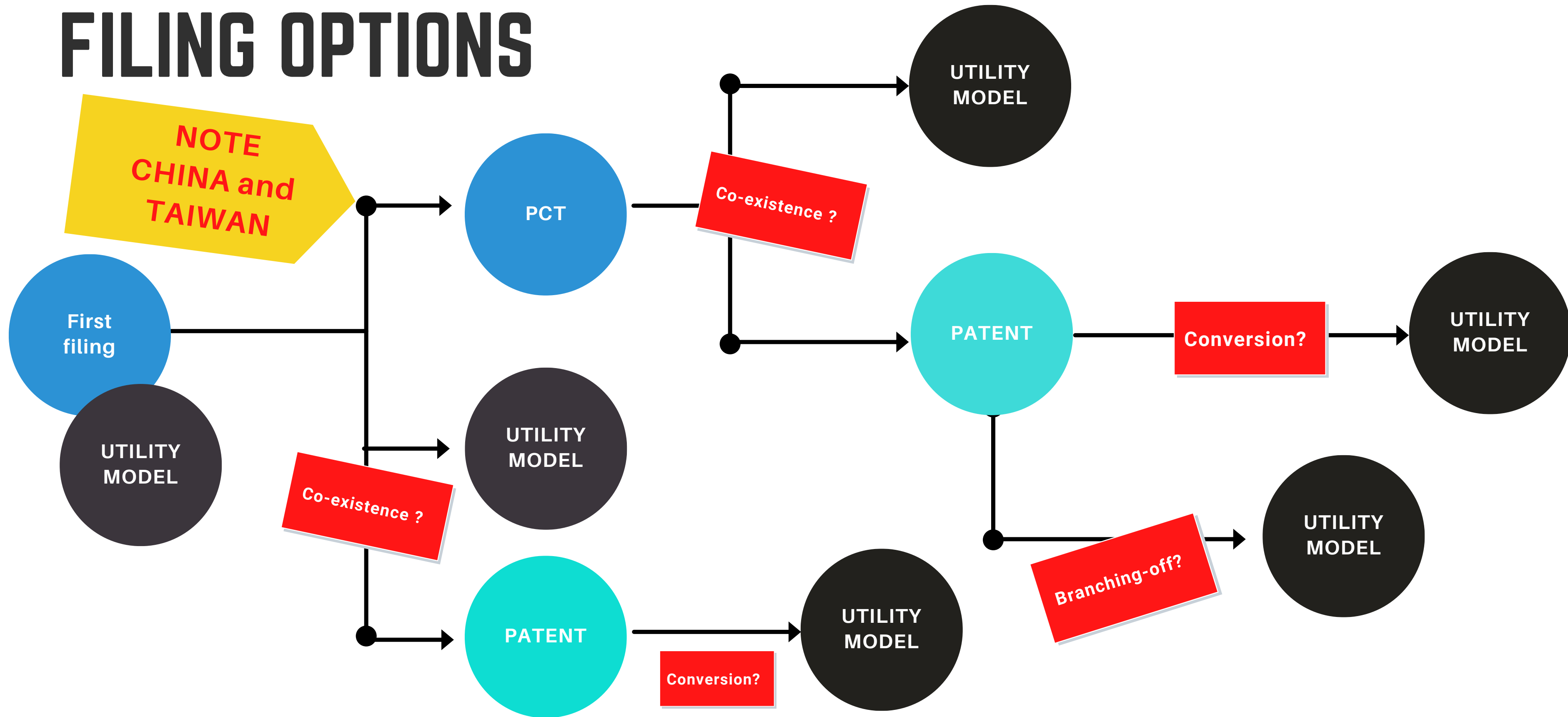


National filing



PCT

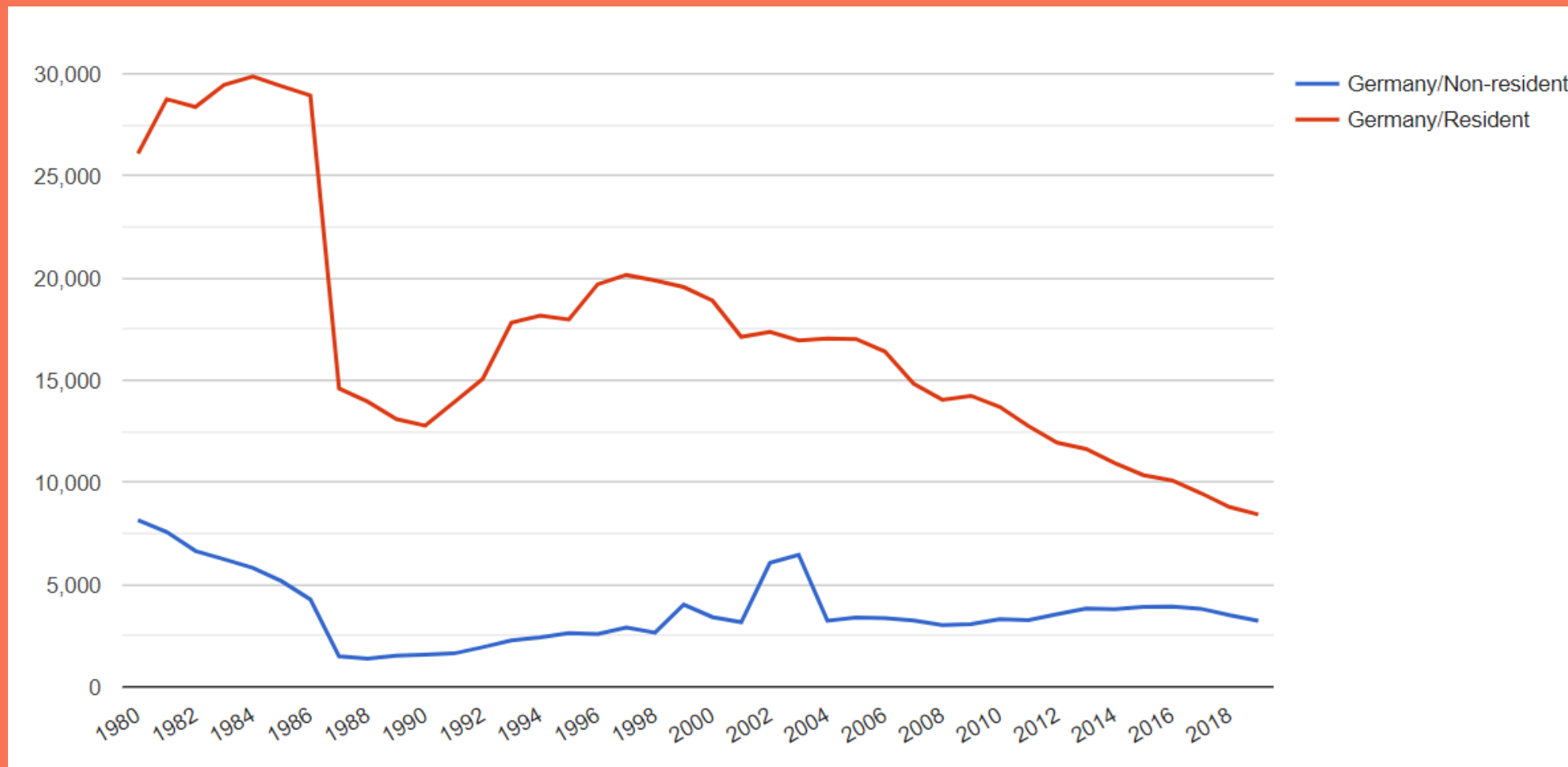
FILING OPTIONS



UTILITY MODELS vs PATENTS

	PATENTABILITY	TERM OF PROTECTION	EXAMINATION AND REGISTRATION	COSTS	ENFORCEMENT
PATENT	Novelty and inventive step	20 years	Substantive examination 3-5 years	Expensive and unpredictable	Exclusive right to prohibit third parties from: making, selling, marketing, importing or using the protected subject matter
UTILITY MODEL	Novelty (sometimes local or relative) Inventive step (sometimes lower or not required)	6-10 years in most jurisdictions	No substantive examination 6-12 months	Significantly cheaper than patent, can be easily estimated	Exclusive right to prohibit third parties from: making, selling, marketing, importing or using the protected subject matter. In litigation a substantive examination will usually be required.

GERMANY



WIPO IP STATISTICS DATA CENTER

SCOPE OF PROTECTION

All technical inventions can be protected by a utility model as they can be by a patent. This also includes chemical substances, foodstuffs and medicinal products.

PATENTABILITY

Novelty, inventive step and industrial applicability. Absolute novelty is not required - prior art does not include: a public oral description or public prior use outside Germany.

GRACE PERIOD 6 months

FILING

National, PCT or branching-off EP pending patent application

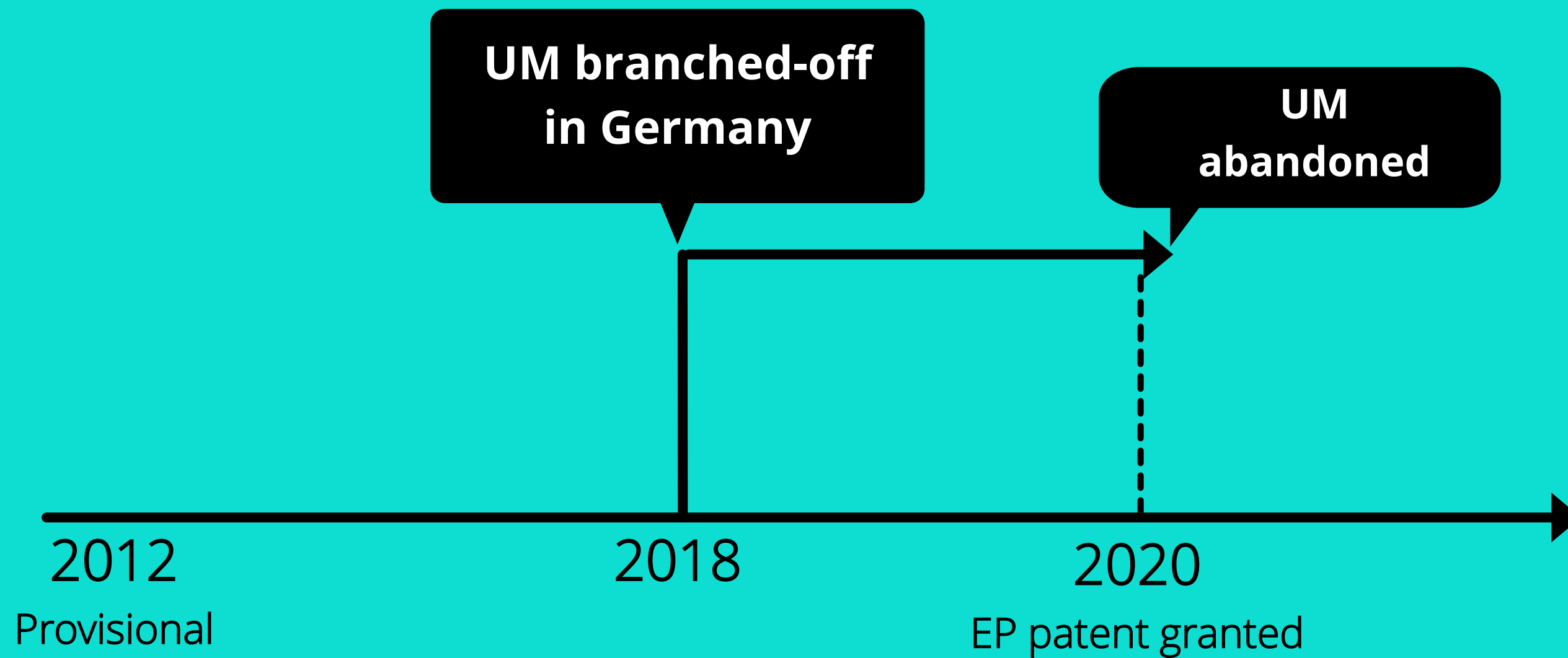
EXAMINATION

Fundamental requirements and formal deficiencies. Usually takes 1.5-3 months.

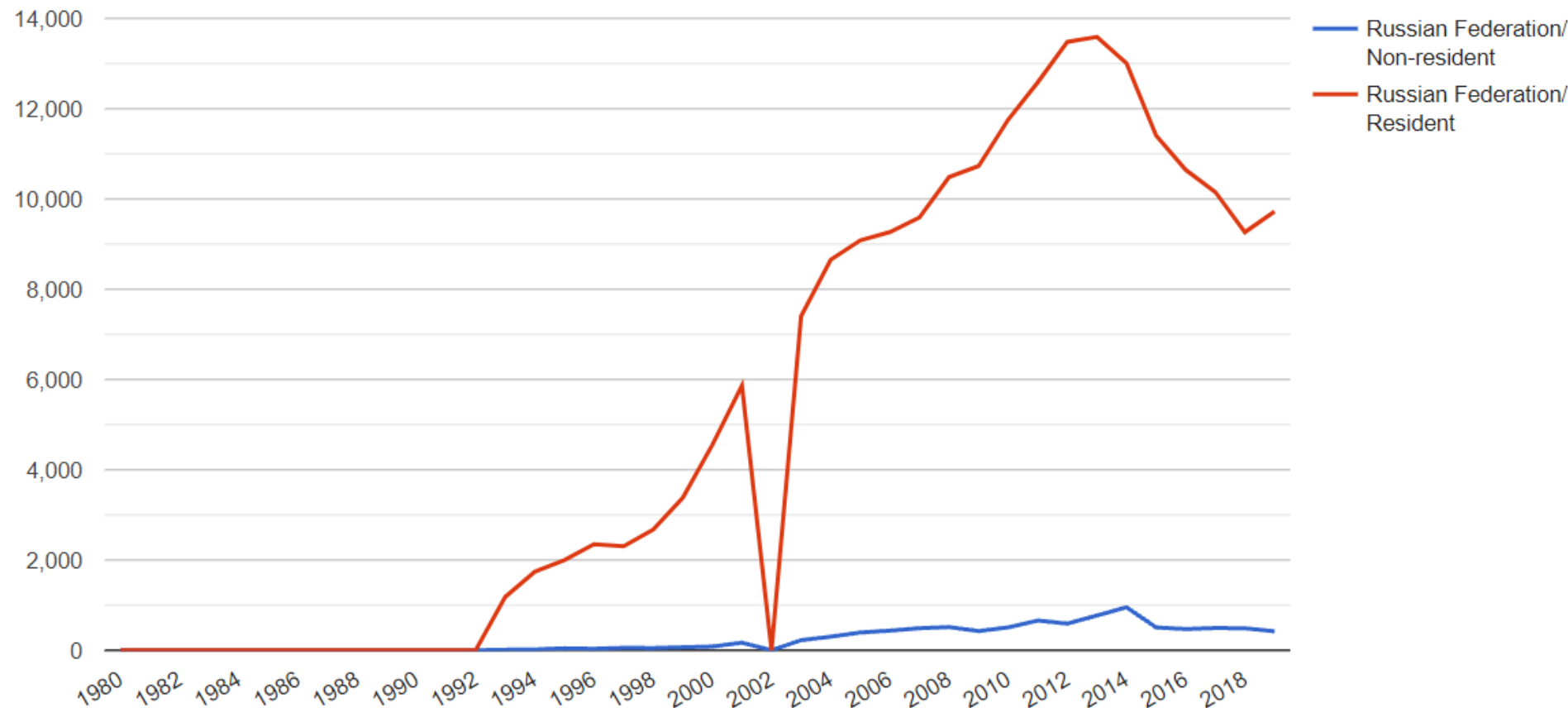
TERM OF PROTECTION 10 years

PUBLICATION A few weeks after the grant.

EXAMPLE



RUSSIA



WIPO IP STATISTICS DATA CENTER

SCOPE OF PROTECTION

Devices only

PATENTABILITY

Novelty and industrial applicability. No inventive step requirement.

GRACE PERIOD 6 months

FILING

National, PCT

EXAMINATION

Utility models in Russia are subject to substantive examination as of October 1, 2014. Takes about 1.5-2 years. Only 1 claim can be filed.

TERM OF PROTECTION

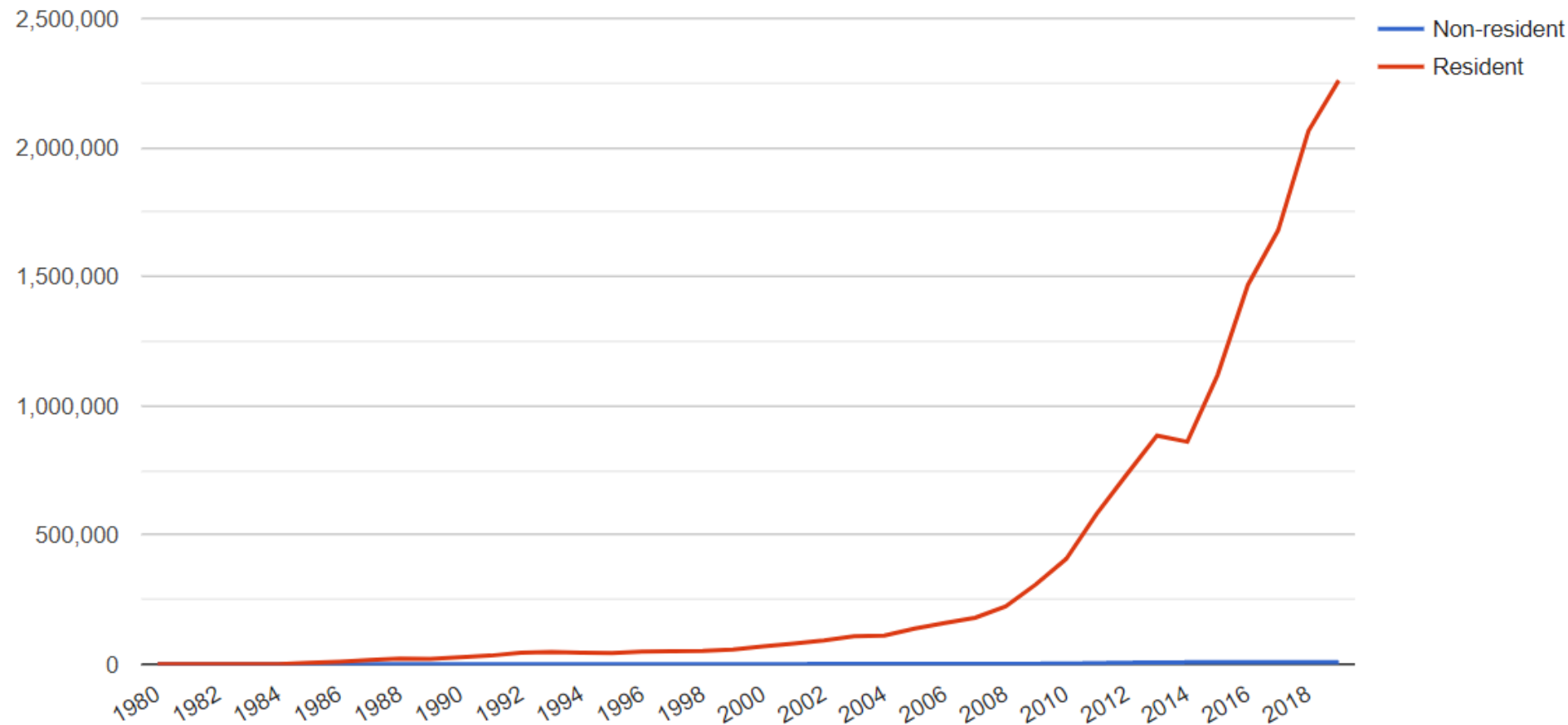
10 years

PUBLICATION

A few weeks after the grant.

Enforcement: as of October 1, 2014, only literal infringement is recognized.

CHINA



SCOPE OF PROTECTION

Technical solution proposed for the shape, the structure, or their combination, of a product, which is fit for practical use

PATENTABILITY

Novelty and industrial applicability. “low” inventive step required

GRACE PERIOD 6 months (*may not always apply*)

FILING

National, PCT, **in parallel** to Invention Patent – Creating ‘continuity of protection’

EXAMINATION

No substantial examination (few months to grant)


BUT- Post grant review required before enforcement action.

TERM OF PROTECTION 10 years

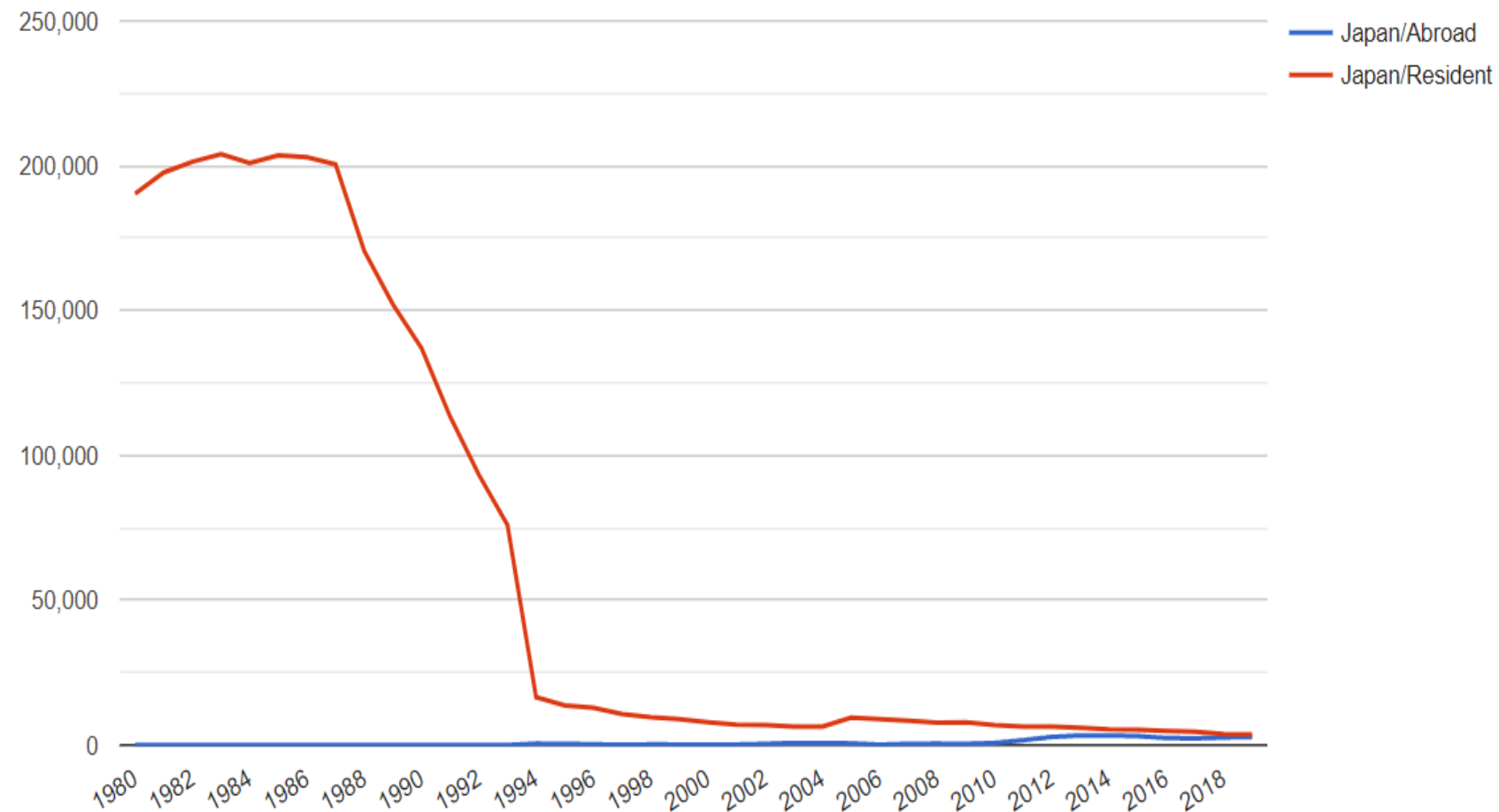
PUBLICATION With/following grant.

WIPO IP STATISTICS DATA CENTER

Very popular in China

- Issued in 2020 (source 
- Invention patent | 530,000
- Utility Models - 2,377,000
- Design patents - 732,000

JAPAN



SCOPE OF PROTECTION

Technical ideas relating to the shape or structure of an article or combination of articles (no materials or methods)

PATENTABILITY

Novelty and industrial applicability. “low” inventive step required

GRACE PERIOD 12 months

FILING

National, PCT, **in parallel** to regular Patent – Creating ‘continuity of protection’ (eventually- you have to chose)

CONVERSION POSSIBLE (time/phase limitations apply):

Utility Model ↔ Regular patent (fall back in examination of regular patent)

EXAMINATION

No substantial examination. Unity of invention checked. Takes few months to grant

TERM OF PROTECTION 10 years

PUBLICATION With/following grant.

WIPO IP STATISTICS DATA CENTER

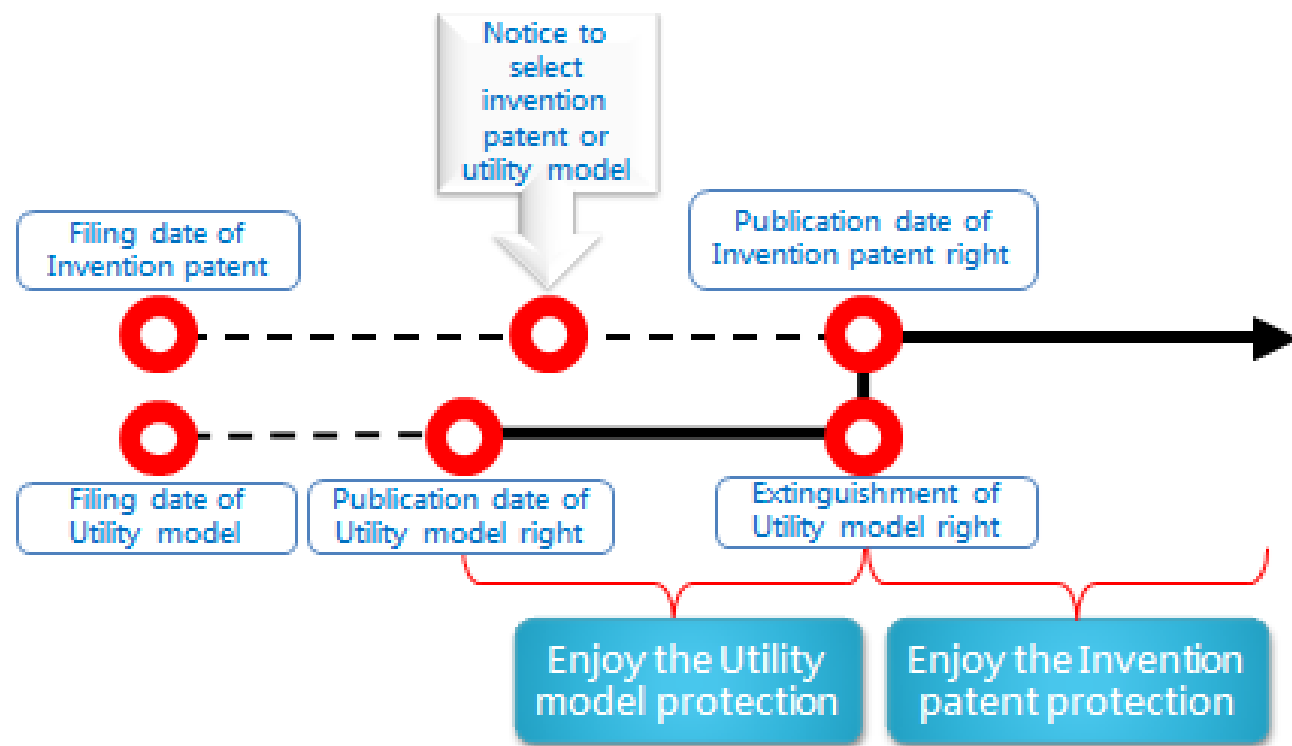
(1) The Number of Applications

Year/ Month	2021 6	7	2021/1-7 (Cum Sum of 2021)	2020/1-7 (Year-on-Year)
Patents & Utility Models	25,270 (▲2.5)	22,586 (▲4.4)	171,315 (▲1.6)	174,111 (▲5.3)
Patents	24,830 (▲1.9)	22,224 (▲3.5)	168,231 (▲1.4)	170,683 (▲5.6)
Utility Models	440 (▲27.8)	362 (▲38.2)	3,084 (▲10.0)	3,428 (13.7)
Designs	2,882	2,571	18,427	18,227

TAIWAN



Filing two patent applications for one creation —continuous protection



SCOPE OF PROTECTION

Creation of technical ideas relating to the shape or structure of an article or combination of articles, utilizing the laws of nature

PATENTABILITY

Novelty and industrial applicability. “low” inventive step required

GRACE PERIOD 12 months (*may not always apply*)

FILING

National, PCT, **in parallel** to Invention Patent – Creating ‘continuity of protection’

EXAMINATION

No substantial examination (few months to grant)

BUT- Technical Evaluation by TIPO required before enforcement action.

CONVERSION POSSIBLE (time/phase limitation apply) :

Invention patent ↔ Utility Model ↔ Design Patent

TERM OF PROTECTION 10 years

PUBLICATION With/following grant.

KOREA



Utility Model Applications

Year	Resident	Non-Resident	Abroad
2010	13,193	468	296
2011	11,462	392	311
2012	11,899	525	429
2013	10,463	505	332
2014	8,754	430	422
2015	8,294	417	801
2016	7,395	372	972
2017	6,451	360	957
2018	5,768	464	1,121
2019	4,975	472	1,092

SCOPE OF PROTECTION

The creation of technical ideas utilizing the laws of nature, which relates to the shape or structure of an article or combination of articles

PATENTABILITY

Novelty and industrial applicability. “low” inventive step required

GRACE PERIOD 12 months

FILING

National, PCT, **in parallel** to Invention Patent – Creating ‘continuity of protection’

EXAMINATION

SUBSTANTIAL examination (may take up to 5 years. Request examination)

CONVERSION POSSIBLE (time/phase limitations apply):

Utility Model ↔ Regular patent

TERM OF PROTECTION

10 years

PUBLICATION

18 Months from priority and with/following grant.

WAR STORIES

One of the Company's AOI products was the subject of patent infringement litigation in China. In this case, **one of the Company's competitors in China copied certain of the Company's technologies and PCB AOI systems and proceeded to register utility model patents in China on certain components thereof.** This competitor subsequently filed a lawsuit in the relevant jurisdiction in China against one of the Company's Chinese customers claiming that some of the Company's PCB AOI systems being used by the customer infringe upon one of these utility model patents. During 2013, the court of first instance ruled in favor of the competitor, which decision was appealed by Orbotech's customer. In December 2015, the appeal court confirmed the lower court's decision and ordered the customer to cease its infringing actions. The customer did not appeal this decision to the Supreme Court and this decision is now final. In addition, the Company's motion with the Chinese State Intellectual Property Office to invalidate the relevant utility model patent was denied during 2016. The Company has replaced the infringing component in the customer's system with a component that was designed to be non-infringing and covered the customer's attorneys' fees in these proceedings, neither of which were material.



**Text From Orbotech's
20F for FY2016**



MAIN POINTS



- A competitor- copied Orbotech machine
- Competitor filed several utility models covering elements in the copied machine
- Competitor sued an Orbotech's customer for infringement by certain element in Orbotech's machine
- (Unsurprisingly)- competitor won.
- Orbotech replaced 'infringing' part with a design around

**Based on text from
Orbotech's 20F for
FY2016**

“REVENGE”

The **Company** has filed lawsuits **against two Chinese customers** of this **competitor** in the Shenzhen Longgang District People’s Court, in Guangdong Province, China, **claiming infringement of the Company’s copyright** by using **software copied** from the Company for operating PCB AOI systems purchased by these customers from the competitor. During November 2015, the **Court ruled in favor of the Company** by confirming the infringement and ordering the two customers to cease the infringing action and to cover appraisal costs. These customers filed an appeal with the Shenzhen Intermediate Court and a hearing was held in June 2016. *[Hananel]*- company won the appeal.



**Text from Orbotech’s
20F for FY2016**



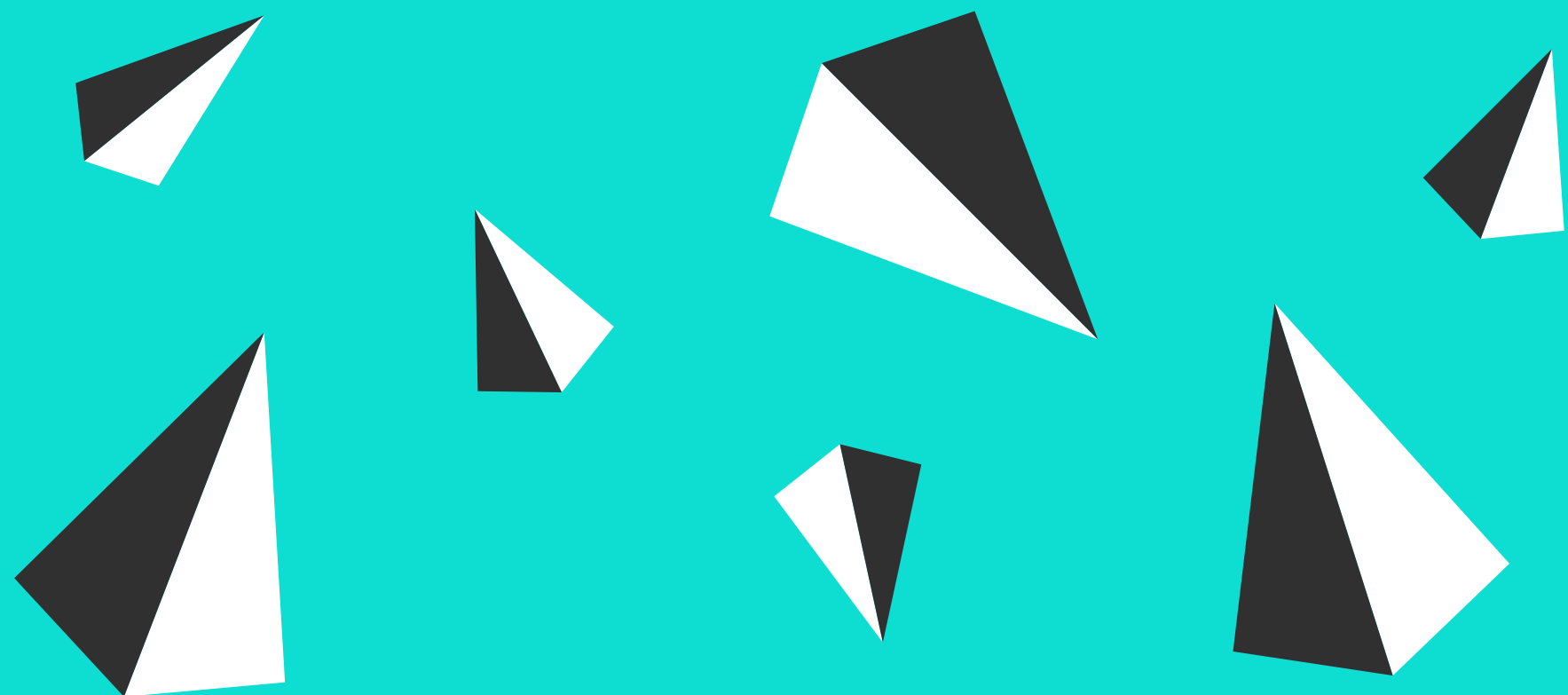
LESSONS LEARNED

- Use utility models in China and elsewhere
- Utility models are very effective against (exact) copiers
- If you intend to enforce – evaluate your UM accordingly
- Where possible, use both utility model and invention patent – gives better IP protection.
- The huge quantity of Utility Models in China may also pose a threat to your products in China.

**FROM THE WAR
BUT NOT ONLY**

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QUESTIONS?