

Intellectual Property Practice Update

Launch of IPOS' FinTech Fast Track Initiative 2018 – New Accelerated FinTech Patent Process in Singapore

Overview of the Singapore Patent Regime

The Intellectual Property Office of Singapore (IPOS) has launched a new FinTech Fast Track (“FTFT”) Initiative, an expedited patent application-to-grant process for FinTech inventions. Under the recently launched FTFT Initiative, FinTech patents may be granted in as quickly as 6 months, compared to the usual grant time of at least 2 years for typical standard patent applications. With effect from 26 April 2018, all newly-filed patent applications may qualify for the accelerated service under the FTFT Initiative, which will run for a period of 12 months from 26 April 2018.

Previously, the law on the patentability of computer software inventions has been left open in Singapore.¹ Under the Singapore Patents Act (Cap 221), an invention may generally be patentable if it is novel, involves an inventive step and is capable of industrial application, while the Singapore Patent Rules prescribe certain formality and general requirements. In this regard, the Singapore Patent Rules do require a patent specification to identify the “technical field”, the “technical problem” to which the invention relates, and the claims to be defined in terms of “technical features”,² but little guidance on the topic of the patentability of computer software inventions has been offered. In light of the above, the latest FTFT Initiative appears to provide some clarification on the patentability of FinTech inventions, which may include computer software, as a patentable subject matter.

With the rise of local software inventions in the FinTech arena, IPOS aims to encourage innovative FinTech businesses to develop solutions through advancements in financial technology. The launch of the FTFT Initiative by IPOS is also in line with the Monetary Authority of Singapore (“MAS”)’s Financial Sector Technology and Innovation (“FSTI”) funding scheme which businesses may now rely on for industry-wide FinTech projects. For more information on the existing FSTI Scheme, please refer to our publication at the following link: <http://www.gateway-law.com/newsletter/04052018.pdf>.

¹ There are no guidelines set by IPOS on the patentability of computer software inventions and the issue was not canvassed by the Singapore Court of Appeal in *First Currency Choice Pte Ltd v Main-Line Corporate Holdings* [2008] 1 SLR 335. In the United Kingdom (UK) however, a computer software invention may be patentable if it has technical character and is capable of bringing about a technical effect: *Symbian v Comptroller General of Patents* [2008] EWCA Civ 1066. It is therefore arguable that such position adopted in the UK could be persuasive in Singapore as well, in light of the fact that such an opportunity has not arisen as a matter before the Singapore courts.

² Rule 19 of the Patents Rules.

FinTech areas covered under the FTFT Initiative (non-exhaustive)

Generally, FinTech inventions may utilise data analytics, the Internet-of-Things (IOT), mobile platforms, cloud computing, artificial intelligence, machine learning and virtual currency amongst others, to streamline finance-related workflow process through enabling technologies.

The FTFT Initiative may apply to but is not limited to the following areas of FinTech inventions: -

Type of FinTech Invention	Details
Electronic payment	Businesses may seek to patent technology relating to the transaction of goods and services over a network, such as mobile payment, streamlined payment, integrated billing and mobile money, if the invention fulfils the criteria set out in the Patents Act.
Investment platforms	For example, FinTech inventions utilizing enabling technologies, such as data analytics, to improve the efficiency of online investment or trading platforms may be patentable under the FTFT Initiative. Other inventions involving virtual exchanges, smart contracts and market information platforms may also be considered as FinTech inventions.
Insurance technology	Inventions utilizing network technology to allow consumers to interact directly with insurance providers may be patentable under the FTFT Initiative. Further, platforms implemented using artificial intelligence or machine learning to provide automated advice and wealth management may also be examples of FinTech inventions patentable under the FTFT Initiative.
Blockchain and banking	Incorporating blockchain technology to improve the security and efficiency of clearing and settlement of cross-border payment transactions may be deemed as FinTech inventions and may be patentable if they fulfil the criteria of patentability under the Patents Act.
Security, fraud and authentication	The use of big data analytics, artificial intelligence or machine learning to provide digital identification and verification to prevent fraudulent payment transactions would be deemed as Fintech inventions, and may be patentable.

Criteria to qualify for the FTFT Initiative

The FTFT Initiative is open to all individuals and corporate entities, provided that all requirements under the FTFT Initiative are met. To be eligible for the grant of a patent, the patent application must be related to FinTech, contain not more than 20 claims and be first filed in Singapore.

Procedurally, the request for grant of patent and the request for search and examination report must be filed within the same day. The applicant must respond within 2 weeks from the date of receipt of formalities examination adverse report and within 2 months from the date of receipt of written opinion. Further, a *Fast Track document* (a supporting document stating that the application is related to FinTech) needs to be furnished during the submission of the request for search and examination report. To expedite the patent prosecution process, the applicant may attend an interview upon the patent examiner's request, to resolve any issues regarding the patentability of the FinTech patentability.

Conclusion

In this digital era, it is evident that digital disruption is inevitable in the financial service sector, and new market entrants that are well-equipped with the proper technology will be one step closer to gaining market share. FinTech investments have increased rapidly over recent years, and while Singapore appears to be priming itself to be a FinTech hub, obtaining patent protection for novel and inventive FinTech innovations continues to be of paramount importance for FinTech businesses in Singapore.

Should you be interested in applying for a FinTech patent under the new FTFT Initiative or have any queries as to how this update may affect your business, please do not hesitate to email us.



Max Ng
Managing Director
Gateway Law Corporation

Email: max.ng@gateway-law.com



Amira Budiyo
Senior Associate
Gateway Law Corporation

Email: amira.budiyo@gateway-law.com

Emily Koh
Practice Trainee
Gateway Law Corporation

Email: emily.koh@gateway-law.com

This article is intended to highlight the salient issues relating to a recent IPOS launch of the FinTech Fast Track Initiative and it is not intended to be comprehensive nor should it be construed as legal advice. This article is updated as at 4 May 2018.